



**The Institute of Cost Accountants of India**

**Disciplinary Committee u/s 21B of The Cost Accountants Act 1959**

**Final order number: ICMAI/DC/2026/04**

Compliant number	Com/21-CA(109)/2022
In the matter of	CMA Anuj Rameshchandra Pathak (M/49954) [Complainant] Vs. CMA Rajubhai Kantilal Patel (M/14115) [Respondent]
Date of Hearing	As per records and order sheet
Date of order	9 <sup>th</sup> March, 2026

**CORAM:**

1.	CMA T.C.A. Srinivasa Prasad, President	Presiding Officer
2.	CMA Manoj Kumar Anand	Member
3.	Shri Saraswati Prasad, IAS (Retd.), Government Nominee	Member
4.	Mrs Meenakshi Sharma, IA&AS (Retd.) Government Nominee	Member

**PRESENT IN HEARINGS**

1	CMA(Dr) Hemant Kumar Sindhvani	Director (Discipline)
2	CMA Rajubhai Kantilal Patel	Respondent
3	Adv Rahul S Malhotra	Advocate of Respondent





1. The Disciplinary Committee, vide its Findings dated 8<sup>th</sup> September, 2025, held that CMA Rajubhai Kantilal Patel (M/14115), was guilty of contravention of the following provisions of the Cost Accountant Act, 1959;
  - i. clause (3) of Part III of the First Schedule and
  - ii. clause (2) of Part IV of the First Schedule, and
  - iii. clause (1) of Part II of the Second Schedule
2. In terms of Section 21B(3) of The Act, 1959 action was contemplated against the Respondent in respect of the said finding of guilty. Accordingly, a copy of the findings along with a Notice dated 14<sup>th</sup> October, 2025 was issued to the Respondent, calling upon him to submit his written submissions, if any, within ten (10) days from the date of service of the notice.
3. The Respondent submitted his written representation dated 6<sup>th</sup> November, 2025, served on 22<sup>nd</sup> November, 2025 wherein he inter alia, stated, that the impugned allegations pertained to matter of interpretation and were not acts committed knowingly or with intention to mislead and prayed that sympathetically view may be taken.
4. In accordance with Section 21B(3) of the Act read with Rule 19(1) of the Cost and Works Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007 (hereinafter referred to as “the Rules”), a Notice dated 19<sup>th</sup> January, 2026 was issued to the Respondent, granting him an opportunity of personal hearing before the Disciplinary Committee on 28<sup>th</sup> January, 2026. However, the Respondent, vide email dated 23<sup>rd</sup> January, 2026, sought an adjournment of the scheduled hearing on the ground that he wished to appear personally and physically before the Committee and was unable to attend due to unforeseen personal exigencies. Considering the request, the Committee granted the adjournment and rescheduled the matter for hearing on 10<sup>th</sup> February, 2026.
5. On the rescheduled date, the Respondent availed the opportunity of personal hearing and appeared before the Hon’ble Disciplinary Committee through video conferencing, while Shri Rahul Malhotra, Advocate of Respondent, appeared physically on his behalf. Ld counsel reiterated the written submissions dated 6<sup>th</sup> November, 2025 and, inter alia, contended that the allegations arose from issues of interpretation and were not acts





committed knowingly or with any intention to mislead. It was further submitted that the Respondent had no intention to violate any provision of the Act, Rules, or Regulations of the Institute and prayed that a lenient view be taken considering that the alleged lapses were interpretational in nature and did not constitute deliberate or grave misconduct. He further submitted that the Respondent had filed Writ Petition No. 18185/2025 along with CM APPL. No. 4830/2026 before the Hon'ble High Court of Delhi, and that the Committee's order may remain subject to the outcome of the said writ petition.

6. The Committee took the written submissions dated 6<sup>th</sup> November, 2025, as well as the oral submissions advanced during the hearing on 10<sup>th</sup> February, 2026, on record.
7. The committee noted that the Respondent filed Writ Petition No. 18185/2025 before the Hon'ble High Court of Delhi on 14<sup>th</sup> November, 2025 against the impugned findings on certain technical grounds. It is also noted that the Respondent filed another application, being CM APPL. No. 4830/2026, before the Hon'ble High Court of Delhi seeking a stay on the operation of the disciplinary proceedings. The Hon'ble High Court, vide order dated 23<sup>rd</sup> January 2026, rejected the said application, observing that "at this point of time, the Court does not deem it appropriate to interdict the pending proceedings. However, the Court observes that any steps taken by the respondents shall remain subject to the outcome of the instant writ petition." In view of the above, the Committee observed that there was no stay order against passing the present order and, accordingly, proceeded with the matter.
8. Thereafter, the Committee carefully perused the material available on record and deliberated upon the findings allegation-wise. The Committee is of the considered view that the contention of the Respondent that the allegations arise merely out of an issue of interpretation is misconceived. The Committee notes that the element of mens rea on the part of the Respondent has already been established and recorded in the Findings. The Committee further observes that the use of the names of professionals without their consent for the purpose of soliciting work constitutes a serious breach of professional ethics and amounts to deliberate misrepresentation, and therefore cannot be treated as a mere issue of interpretation.

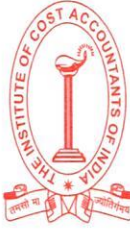




9. The committee noted that Professional conduct forms the foundation of every respected profession. Adherence to ethics, discipline, and integrity ensures that professionals maintain the highest standards of competence and responsibility in their work. Upholding these principles not only safeguards public trust but also strengthens the credibility and dignity of the profession.
10. Having regard to the gravity, nature, and consequences of the professional misconduct established, the Committee resolved to impose penalties commensurate with the seriousness of each proved charge. The allegation-wise penalty as determined by the Committee is tabulated below:

S. No.	Allegation No.	Nature of Allegation	Findings	Penalty Awarded
1	Allegation No. 1	Misrepresentation of Firm Name	Guilty	a) Reprimand the Member b) Imposition of penalty of ₹1,00,000/-
2	Allegation No. 2 (Mens Rea Established)	Use of unapproved trade name despite knowledge of approved firm name		
3	Allegation No. 4	Other Minor Allegations as per finding		
4	Allegation No. 3(a)	Inclusion of professionals associated on case-to-case basis in tender documents	Not Guilty	No Penalty
5	Allegation No. 3(b)	Inclusion of professionals' names in tender documents without consent	Guilty	a) Removal of name from the Register of Members two years b) Imposition of penalty of ₹2,00,000/-





11. In exercise of the powers conferred under Section 21B of the Cost Accountants Act, 1959, the Disciplinary Committee hereby imposes the following consolidated penalty upon the Respondent:

- The Respondent is reprimanded; and is further cautioned to use only the firm name as duly approved by the Council in all official communications, documents, and professional engagements in future;
- The name of the Respondent is hereby removed from the Register of Members for two years ; and
- A monetary penalty of ₹3,00,000/- (Rupees Three Lakhs only) is imposed upon the Respondent, comprising ₹1,00,000/- (Rupees One Lakh only) for Allegation Nos. 1, 2, and 4, and ₹2,00,000/- (Rupees Two Lakhs only) for Allegation No. 3(b), the bifurcation of which is indicated in the table above.

The aforesaid monetary penalty shall be paid within a period of thirty (30) days from the date of receipt of this Order.

CMA T.C.A. Srinivasa Prasad

PRESIDING OFFICER

Shri Saraswati Prasad, IAS (Retd.)

GOVERNMENT NOMINEE

Mrs. Meenakshi Sharma IA & AS (Retd.)

GOVERNMENT NOMINEE

CMA Manoj Kumar Anand

MEMBER



Place: New Delhi

Date: 9<sup>th</sup> March, 2026

**Distribution under Rule 19(3) of the Rule, 2007**

- 1) Director(Discipline), Institute of Cost Accountant of India
- 2) Complainant, CMA Anuj Rameshchandra Pathak (M/49954)
- 3) Respondent, CMA Yashodhar Thakar (M/9688) [Respondent]





**The Institute of Cost Accountants of India**  
**Disciplinary Committee u/s 21B of The Cost Accountants Act 1959**

Complaint No. Com/21-CA(109)/2022 -

CMA Anuj Rameshchandra Pathak (M/49954) [Complainant]

Vs.

CMA Rajubhai Kantilal Patel (M/14115) [Respondent]

**Findings of Disciplinary Committee under rule 18(17) of The Cost and Works Accountants (Procedure of Investigation of Professional and Other Misconduct and Conduct of Cases) Rules, 2007:**

1. The Disciplinary Directorate is in receipt of a complaint in Form I in triplicate dated 15<sup>th</sup> June 2022 together with the prescribed complaint fee of Rs 2950/- from CMA Anuj Rameshchandra Pathak (hereinafter referred to as the ‘complainant’), bearing membership number 49954 against CMA Rajubhai Kantilal Patel (hereinafter referred to as the ‘respondent’) bearing membership number 14115, containing certain allegations against the respondent falling under the First and the Second Schedule to the Cost and Works Accountants Act, 1959.

2. The complaint consists of 197 pages (including annexure). Form I is reproduced below:

Quote

FORM I

1.	Name of the Complaint : (With membership number, if member of *institute of Cost Accountants of India)	CMA Anuj Rameshchandra Pathak (M/49954)
2.	Name of the member/firm against whom complaint is being made: (With membership number/registration number of the firm, if known)	CMA Rajubhai Kantilal Patel (M/14115)
3.	Latest address of the complaint for communication	RanchodjiMandirFaliya, Near ShethFaliya, Kaalol (D) Panchamahal- 389330 E-mail: anujpathak85@gmail.com
4.	Latest available professional address of the member or the firm against whom the complaints is made.	315, Phoenix Complex, Sayajigunj, Vadodara- 390020 rajupatel18@gmail.com





5.	Particulars of allegations(s) serially numbered together with a corresponding clause/part of the relevant Schedule(s), or Particulars of allegation(s) serially numbered together with clause/part of the relevant Schedule(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 allegation(s) made	Refer Appendix-1 and 2 attached to Annexure- 1
7.	Name(s) of person who have knowledge of the facts of the case.	Nil

Unquote

3. The complainant *inter alia* stated that on e-procurement system of Coal India Ltd, (CIL) as a part of transparency, all persons/firms who bid the tender are able to get the full information about all the bidders and they can download the documents offered to CIL. While going through the tender documents submitted by the respondent to CIL against tender notice no. CIL/GM(F) /2019-20/Cost Auditor/01 dated 14.08.2019, the complainant had come across ‘numerous violations’ about wilful misrepresentations and distortion of facts in a fraudulent manner deceiving his prospective client through utter misstatement of facts committed by him which certainly deserves highest panel actions under the Act & Rules of the Institute. Further, on page 14 of the Annexure- III of the said tender document, the respondent has signed and given on his letterhead, a letter of undertaking wherein he has confirmed that “all information/documents/credentials submitted long with the offer are genuine, authentic, true, valid and complete in every respect” which, the complainant contends, is factually incorrect and not true.

A copy of the said tender documents submitted to CIL containing 190 pages had been attached to the complaint by the complainant as Appendix- 1.

4. The allegations of the complainant against the respondent, *inter alia* are stated hereunder;

Quote:

A. M/s. Coal India Ltd. – CIL had issued e-Expression Notice (CIL/GM(F)/2019-20/Cost Auditor/01 dated 14.08.2019) for empanelment and selection for appointment of cost auditor of CIL for financial year 2019-20, 2020-21 & 2021-22.

The respondent had applied for the said tender with several factually incorrect information to defraud M/s. CIL to get the cost audit, details of which are as under:





- i. The respondent has registered his firm with the Institute with Trade Name 'R K Patel', Proprietor (FRN- 100180) with effect from 18.04.1996. However, he is using Trade name 'R K Patel & Co., Proprietor FRN (100180) which is not approved by the Institute.
- ii. In addition to this, his rubber stamp depicts "R K Patel & Co. Cost Accountants FCMA M-14115". It shall be noted that the number written on the stamp is a membership number which issued to the individual member and not to the firm. (All pages of Appendix- 1 to be referred.)
- iii. To mislead and deceive clients, the respondent is providing copy of his membership details downloaded from Members' Online System – View Certificate of Practice List - where he shows his name as 'Rajubhai Kantilal Patel, but he adds a line 'R K Patel & Co., in address line 1. (Reference to page 19 of Appendix- 1)
- iv. The respondent is fully aware about the fact that his trade name is not R K Patel & Co. and hence while filling up various forms with MCA (e.g. Form 23C & Form CRA-2 – Appointment of cost auditor form), he is using his firm name as 'R K Patel' FRN 100180. (reference to page #55, 57, 58, 63, 66, 70, 103, 106, 110, 111, 115, 122, 127, 131, 134, 137, 165, 167 & 169 of Appendix- 1)
- v. The respondent has informed to CIL under – Format for Application (Page 23 of Appendix- 1) that his firm has 10 (ten) number of fully qualified assistants (Cost/Chartered Accountant) whereas he has listed name and membership of 11 (eleven) number of Cost Accountants as tabulated below:

Sr.	Name	M.No.	COP Holder	Whether Br.-in-charge	Location of Member
1	Bhavin R Patel	31969	Y	N	Vadodara
2	Murlidhar Jagetiya	43616	N	N	Vadodara
3	Vishal Shah	31980	Y	N	Vadodara
4	Malay Hapani	44244	Y	N	Vadodara
5	S J Pandya	4828	N	N	Vadodara
6	Kalyan Killechetti	39065	Y	Y	Chennai
7	Neeraj Maheswari	44079	Y	Y	Indore
8	Manoj Patil	34090	N	N	Vadodara
9	Anuj Kumar	46124	Y	Y	Delhi
10	Md. Shamim Ansari	43940	Y	Y	Kolkata
11	Amit Shinha	44797	Y	Y	Raipur

- a) Out of 11 cost accountants 8 cost accountants are holding COP of the Institute as on date of Application to M/s. CIL  
*It may be noted that while applying for COP as well as renewal of COP, a member is supposed to declare that he is not holding employment in any organization or under any person and further he has to confirm the information provided in Form M-3 are correct as part of verification.*  
*Thus, the respondent has produced factually incorrect list of cost accountants serving in his firm with mala fide intention to deceive CIL.*  
This clearly indicates that either all these CMAs have connived with the respondent or he has misrepresented the facts. This needs to be probed by the Discipline Directorate.





The complainant alleges that this is a professional misconduct and has certainly brought disrepute the Institute under clause (2) of Part IV of first schedule of the Act.

- b) Out of the above referred 8 PCMA's, CMA Malay Hapani is working with M/s. BHEL while the respondent has shown him as a COP Holder.

As per the LinkedIn profile, CMA Malay Hapani (M-44244) is working with M/s. BHEL since 2008. As a matter of proof, a copy of his LinkedIn profile as downloaded on 12.06.22 is attached herewith (Reference may be made to Appendix- 2)

This clearly indicates that either CMA Malay Hapani has misled the Institute or both CMA Malay Hapani and the respondent have connived to misrepresent the facts with the Institute. This needs to be probed by the Discipline Directorate. The complainant alleges that this is a professional misconduct and has certainly brought disrepute the Institute under clause (2) of Part IV of first schedule of the Act.

- c) As per the complainant's information, CMA Manoj Patil was working with Saint Gobain India Limited during the period 2018-2020.

The complainant states that all these need to be probed by the Discipline Directorate to confirm with CMAs concerned that whether they had given permission to include their name as their employees.

Again, the complainant alleges that this is a professional misconduct and has certainly brought disrepute the Institute under clause (2) of Part IV of the first schedule of the Act.

- d) Further, the respondent has registered a partnership firm Styled as 'R K Patel & Associates' Cost Accountants (FRN- 00419). In this firm, there are Following nine partners as per the Institute's website:

Sr.	Name	M.No.	COP Holder	Location of Member
1	Rajubhai Kantilal Patel	14115	Y	Vadodara
2	Vishal Mananbhai Shah	31980	Y	Vadodara
3	Bhavin Rajubhai Patel	31969	Y	Vadodara
4	Neeraj Maheswari	44079	Y	Indore
5	Ankit Gupta	37696	Y	Mukerian
6	Birendra Prasad	42288	Y	Guwahati
7	Malay Chandrakant Hapani	44244	Y	Bhilwara
8	Muhammad Shamim Ansari	43940	Y	Kolkata
9	Anuj Kumar	46124	Y	Delhi

Out of 9 partners of M/s. R K Patel & Associates, M/s. R K Patel (FRN 100180) has shown as many as 5 CMAs on roll of M/s. R K Patel & Co.

The complainant alleges that this clearly indicates that the respondent has forged and misrepresented the facts. The complainant alleges that this is a professional misconduct and has certainly brought disrepute to the Institute under clause (2) of Part IV of the first schedule of the Act.

- B. While providing details about his experience and cost audit work undertaken by him, he has supplied the data of M/s. Indian Rare Earth Ltd. – IREL where he was appointed as cost auditors for FY 2018-19, 2019-20 and 2020-21. Gist of violations made by the respondent, in this part is mentioned below:





- a) He had been the cost auditors of IREL for FY 2018-19, 2019-20 and 2020-21. As per the annual reports of M/s. IREL, these audits were issued in the name of M/s. R K Patel & Co. which is not registered with the Institute. Thus, it proves that the respondent had applied for the said tender with numerous factually incorrect information to defraud M/s. IREL to get the cost audit. The details are as under:  
The respondent has attached his Cost Audit Report of M/s. IREL for the year 2017-18 (Reference to Page 82 to 94 of Appendix- 1). Here, there are seven major violations as mentioned below:
- It is surprising to note that the Cost Audit report is highly confidential and it is not even being shared with the shareholders also. The respondent is fully aware that during the process of e-tendering all tendering documents are visible to the all participants of the tender.
  - Careful examination of the said report reveals that the respondent has been negligent and shown disrepute to his profession and made three mis-statements under his signature.
    - The Reports reads:  
“We, K G Goyal & Co. Cost Accountants .....”  
[Reference to page 82 of Appendix- 1]
    - This report is on the letterhead of R K Patel & Co. and has been signed for RK Patel & Co, by the respondent, as a partner. It is to be noted that no such firm RK Patel & Co., either as a Proprietor or RK Patel & Co, as a Partnership firm is registered with the Institute.
    - In the said report, the respondent has put his seal as ‘R K Patel, ME, FICWA, Cost Accountants M-14115’ He has not paid any attention to the fact that the qualification FICWA has been changed to FCMA way back in 2012. He has signed this report in September 2019. When he has signed the report in the capacity of a partner or a proprietor of the firm, he should have provided the seal of the firm not that of a member. (Reference to page 83 of Appendix-1)
  - At Cost Audit Report for FY 17-18 annexure to Cost Audit Report at Part- 1 Item- 16, though the respondent was the only cost auditor of the company and for all plants, he has offered his comments under the comments to be made for ‘Consolidated observations and suggestions of all auditors’ and details are not meaningful/relevant to the matter to be reported to the Govt. (Reference to Page 85 of Appendix- 1)
  - Cost Audit Report for 17-18 annexure to Cost Audit Report Part- 1 General Details of Cost Auditors item 3, the respondent has mentioned firm no 0017. This Firm Registration Number (FRN) represents that of M/s. K G Goyal & Co. Partnership Firm. (Refer Page 86 of Appendix- 1). At item 4 on the same page, he has mentioned the firm name as ‘RK Patel & Co.’
  - Cost Audit Report for 17-18 at annexure to Cost Audit Report Part- 1 General Details of Cost Auditors item 11, SRN is not mentioned i.e. Cost Audit Report is incomplete. Without this company can’t upload this and if it is added subsequently, it amounts to change/modification of Cost Audit Report. (Refer Page 86 of Appendix- 1).
  - Cost Audit Report for 17-18 annexure to Cost Audit Report Part- 1 General Details of Cost Auditors item 13, the date of Signing of the report is not mentioned. (Refer Page 86 of Appendix- 1)





# ICMAI THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

भारतीय लागत लेखाकार संस्थान  
Statutory Body under an Act of Parliament  
(Under the jurisdiction of Ministry of Corporate Affairs)



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- g. Further, the respondent has affixed his seal/stamp ' R K Patel, ME, FICWA, Cost Accountants M-14115' (blue Ink) on 114 pages out of 190 pages document.
- b) Further, the respondent has attached a CA certificate M/s. Harshil Shah & Associates (Refer Page 171 of Appendix- 1) regarding the turnover of M/s. RK Patel & Co. CA Harshil Shah has certified that the turnover of M/s. R K Patel & Co is exclusively from Valuation Services. This means that CMA R K Patel is showing his receipts from Cost Accounting services in his individual name but to deceive M/s. IREL he has shown his turnover of M/s. R K Patel & Co and not of M/s. RK Patel (FRN 100180)

These acts are of:

- sheer negligence by a professional Cost Accountants which invites disrepute the Institute under clause (2) of Part IV of the first schedule of the Act.
- wilfully and knowingly hiding the information to the Institute that he is practicing as – RK Patel & Co. In spite of his knowledge about the facts, he is not exercising due diligence, or grossly negligent in the conduct of his professional duties and thereby he is guilty of professional misconduct under clause (7) of the Part-I of second schedule of the Act.
- Not supplying the factual information to the institute and to defraud clients, he has done professional misconduct under clause (1) and (3) of the part- III of the second schedule of the Act.

Thus, the respondent is habitual offender and fraudulent member of the profession who has no respect for his duty, to the Institute rules and regulations.

Finally, the complainant makes the following prayer:

- Based on the evidences provided herein above, the respondent is showing disrespect to the profession of cost accountants and has shown every high level of unprofessional attitude and approach in dealing with his assignments by sheer negligence to his professional duties. Even he has indulged into defrauding the Government. Companies for grabbing the work.
- It is clearly evident that the respondent has no respect for rules of the Institute and his acts are unbecoming of a senior member.
- Looking to the serious gravity of offences, the complainant prays for:
  - Removal of his name permanently;
  - Awarding highest penalty, and
  - Inform the disciplinary action to the government agencies where he is working as an insurance surveyor, Loss Assessors, Valuer, Energy Auditor and Insolvency Professional
  - Referring the matter to the appropriate court by the council

Unquote

5. 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 complaint number, Complaint No. Com/21-CA(109)/2022.





6. The complaint dated 15<sup>th</sup> June 2022 of the complainant, which was received by the Disciplinary Directorate on 21<sup>st</sup> June 2022, was duly forwarded to the respondent vide letter No. G/DD/Com-C-109/(M-14115)/01/07/2022 dated 11<sup>th</sup> July 2022 requesting the respondent to respond within 21 days from the date of service of the said letter. The respondent, however, by an email dated 5<sup>th</sup> August 2022 received by the Disciplinary Directorate at or around 10.02 PM prayed for extension of time up to 25.08.2022. Such a request of the respondent was acceded to by the Disciplinary Directorate and the permission for extension of time to submit written statement by the respondent on or before 25<sup>th</sup> August was granted by the Disciplinary Directorate, vide email dated 8<sup>th</sup> August 2022 sent at or around 5.44 PM. A hard copy of the letter No. G/DD/Com-C-109/(M-14115)/02/08/2022 dated 8<sup>th</sup> August 2022 was also sent to the respondent to this effect.
7. The respondent sent an undated reply, considered to be a written statement of 495 pages (including annexure of 474 pages) which was received by the Disciplinary Directorate on 30<sup>th</sup> August 2022. The respondent, *inter alia* submits that:

Quote

- i. That the complaint of the complainant is not bonafide and hence it deserves to be dismissed immediately.
- ii. That the complainant has no right to file the above complaint against the respondent.
- iii. That the averments, which are not specifically admitted in this reply, are hereby denied in toto.
- iv. That the said complaint is quite far away from the real truth.
- v. That the allegations made by the complainant are not true and correct.
- vi. That the allegations made by the complainant in para no. 1 of the disciplinary directorate are not true and correct. It seems that the complainant has stolen documents which are the part of the complaint through his sources. As e procurements portal of CIL requires mandatorily digital signature for logging in the portal. Details e-procurement policy is attached as a part of this reply. Complainant has stolen Digital signature of Mr. Diwanji and/or Mr. Mihir Vyas to login in the CIL PORTAL with credentials of M/s. Diwanji & Co. It is also clear that the complainant has hacked the password of M /s. Diwanji & Co. to steal the profile of the respondent.
- vii. The complainant was not even a Cost Accountant as on the date of the validity of bid and cannot be affected party as he cannot bid in the tender. The complainant has cleared his final examination in December 2020 term as per News printed in Times of India dated Mar 31, 2021.  
<https://timesofindia.indiatimes.com/city/vadodara/30-students-from-baroda-qualify-as-cma/araticlessshow/81765968.cms>
- viii. The complainant has signed under oath that  
‘‘Sir, kindly note that on e-procurement system of Coal India Ltd., as a part of transparency, all persons/firms who bid the tender are able to get the full information about all the bidders and they can download the documents offered to CIL, also.





Verification

I, CMA Anuj Rameshchandra Pathak (M/49954), the complainant, do hereby declare that what is stated above is true to the best of my information and belief.

Verified today the 15<sup>th</sup> day of June, 2022 at Kaalol

Place: Kaalol

(CMA Anuj Rameshchandra Pathak)

Membership No. 49954

Signature of the Complainant”

It is very much clear from above that the complainant was neither a cost accountant as on last date of tender submission nor he can bid for the said tender as the tender was for appointment of cost auditor. Also his name is not appearing in list of bidders participated in the tender.

- ix. The above statement given by complainant is false, fake and with malafide intention to tarnish the respondent's image and is induced by professional rivalry by Mr. S.V. Diwanji who because of his age is losing clients and is jealous of his professional ethical work as a cost accountant.
- x. Also referring to the Supreme Court relied on the principles laid down in **VHCPL-ADCC Pingalai Infrastructure Pvt. Ltd. & Anr. V. Union of India &Ors.** in relation to the consequences of non-participation by a Contractor in the tender process and yet exertion of ROFR. It ruled that, having failed to participate in the tender process and more so, despite the express terms in the tender documents, who validity whereof has not been challenged, the Contractor cannot be heard to contend that it had acquired a 'Right of First Refusal' in the tender process. Only those entities who participate in the tender process pursuant to a tender notice can be allowed to make grievances about the non-fulfilment or breach of any of the terms and conditions of the concerned tender documents. The Contractor who chose to stay away from the tender process, cannot be heard to whittle down, in any manner, the rights of the eligible bidders who has participated in the tender on the basis if the written and express terms and conditions.  
Hence the complaint done by stealing his profile by complainant on instruction & by help of his current partner Mr. S.V. Diwanji is against Supreme Court Judgement and Mr. S.V. Diwanji himself is a history shitter and has done many frauds to acquire professional assignments. The Disciplinary mechanism is misused by such fraudsters by stealing and complaining to defame and tarnish image of ethical cost accountants like him.
- xi. The said complaint should be immediately disposed of as the complainant has stolen his profile by fraudulent means by using digital signature of Mr. Mihir Vyas or Mr. S.V. Diwanji or it is criminal conspiracy of all the partners of M/s. Diwanji & Co. (Firm Regn No. 000339) and which is a criminal offence under Sec. 66C of IT Act which states that "whoever, fraudulently or dishonestly make use of the electronic signature, password or any other unique identification feature of any other person, shall be punished with imprisonment of either description for a term which may extend to three years and shall also be liable to fine with may extend to rupees one lakh."
- xii. Also the said complaint attracts defamation under Sec. 499 of IPC which deals with defamation. Defamation arises when a person makes or publishes any wrong or false statement or allegation or false imputation related to any person, by words or in oral or





- by signs or in any form it is said to defame that person and suitable legal notice will be sent to complainant.
- xiii. Also, the said complaint attracts cheating with Mr. S V Diwanji and/or Mr. Mihir Vyas who dishonestly used their Digital signature and dishonestly, fraudulently and wrongfully gathered the profile of his which attracts cheating under sec. 420 of IPC which states Cheating and dishonestly inducing delivery of property – Whoever cheats and thereby dishonestly induces the person deceived to deliver any property to any person, or to make, alter or destroy the whole or any part of a valuable security, or anything which is signed or sealed, and which is capable of being converted into a valuable security, shall be punished with imprisonment of either description for a term which may extend to seven years, and shall also be liable to fine & suitable FIR will be filed against the complainant in local police station.
- xiv. Also respondent being a senior citizen and having professional practice of more than 25 years, the said complainant has caused mental harassment to the respondent and suitable FIR will be filed against the complainant in local police station.
- xv. As per the Board of Discipline Order in Complaint No. Com/21-CA-(75)/2019 dated 12.06.2020 where it has been held that Mr. Basu managed to receive information by same illegal path, which attracts disciplinary action against him. Also in the said order it was held that the complainant has not come with clean hands and it is unfortunate the disciplinary mechanism is being misused. The respondent has attached a copy of the said order of ICMAI Proceedings).
- xvi. In view of this, since the source of evidence of complaint is stolen by the complainant and the complaint is induced by M/s. Diwanji & Company as the complainant is now partner of M/s. Diwanji & co having senior member Mr. S V Diwanji who himself is having tainted image and who himself is providing fraudulent documents in order to seek professional assignments and detailed fraudulent activities done by firm M/s. Diwanji& co is attached with this reply.
- xvii. That the respondent is in process of filing suitable FIR with Cyber Crime Branch/SOG/Sayajigunj Police Station Vadodara against the complainant.
- xviii. Also the said M/s. Diwanji & Co. is having a partner named Viral Patel bearing Membership No. 42624 who is in full time business of selling clutch plates under the banner of Dalia clutch plates whose business profile from website is attached for ready reference. The said firm is such a fraudster to keep him as a partner under instruction of Mr. S.V. Diwanji who is doing such fraudulent activities to gain financial benefit by securing audits by showing them as team/partners who, as per ICMAI provisions, are not in full time practice being engaged in some other businesses not allowed by ICMAI norms. Suitable action should be taken against M/s. Diwanji& co for keeping a partner who is not in profession of cost accounting and its allied services.  
Refer <https://daliacutchplate.com>
- xix. Mr. A.G. Dalwadi who is having business relation with M/s. Diwanji & Co. and previously relatives of Mr. Dalwadi were partners in firm M/s. Diwanji & Co. should be kept out of Disciplinary proceedings as he is a Central Council member and member of Disciplinary Committee of ICMAI for fair and unbiased trial.
- xx. The complaint should be immediately disposed of for being baseless & having stolen evidence/data and misuse of disciplinary mechanism. He further states that he had come across violations about wilful misrepresentations of facts in a fraudulent manner to deceiving his clients through utter misstatement of facts committed by firm M/s.





Diwanji & Co which certainly deserved highest panel actions under the Act & rules of the institute.

The respondent then proceeds to level counter allegations against M/s Diwanji & Co. Cost Accountants, the gist of which are given below:

- M/s. Diwanji & Co has applied for this tender on 23.08.2019 and attached fraudulent, Forged and fake documents to gain monetary benefit and securing audit through unfair means.
- M/s. Diwanji & Co. came into existence in the year 2012, however they have shown 54 years of experience which is fake fraudulent and with malafide intention to attract work based on experience.
- M/s. Diwanji & Co. has shown under letter that certain employees are in his rolls showing details of fully Qualified Assistants (Cost Accountant/Chartered Accountant) in the firm.
- M/s. Diwanji & co which came into existence in year 2012 has shown fake fraudulent and with malafide intention work orders which are not carried out by M/s. Diwanji & co.
- M/s. Diwanji & Co has carried out Cost Audits prior to 2012 for clients like Reliance Industries Ltd., GNVFC, GACL, MGVCL, GSECL, PANASONIC ENERGY PVT. LTD, INOX INDIA PVT. LTD. & others. It is clear from above that either M/s. Diwanji & Co. was practicing without ICMAI Registration and signed in the capacity of Cost Accountant without firm Registration.
- Also M/s. Diwanji & Co. has fraudulently shown experience in above mentioned companies as criteria for technically qualifying in the tender and gain monetary benefit for experience before its existence.
- Leakage of confidential information to other cost accountants.

Unquote

The respondent further adds that M/s Diwanji & Co. is habitual offender who has no respect for his duty, to the institute rules and regulation. He regularly defrauds government companies and is a history-sheeter & performs money laundering.

8. The written statement of the respondent was forwarded to the complainant vide letter No. G/DD/Com-CA(109)/(M-49954)/02/09/2022 dated 12<sup>th</sup> September 2022 for his rejoinder which was to be submitted within 21 days from the date of receipt of the respondent's written statement. The complainant, however, by a letter dated 8<sup>th</sup> October 2022 (received by this Directorate on 13<sup>th</sup> October 2022) sought permission to file the rejoinder by 30<sup>th</sup> October 2022 in view of the voluminous file consisting of almost 500 pages as well as for other pressing commitments on the part of the complainant. The Disciplinary Directorate vide letter No. G/DD/Com-CA(109)/(M-49954)/03/10/2022 dated 14<sup>th</sup> October 2022 granted permission to file the rejoinder on or before 30<sup>th</sup> October 2022.





9. The complainant, vide letter dated 29<sup>th</sup> October 2022 had submitted his 07 (seven) page rejoinder which is reproduced below in verbatim:

Quote:

‘My point-to-point rejoinder to the said defence statement is as under:

**1.0 Point 1 to 5 of rejoinder page 1:**

As far as Point 1 to 5 of rejoinder page-1 are concerned, the Respondent has not responded to any of the allegation levelled by me against him. I reiterate my allegation against complaint which are bonafide as the respondent has made several serious wrongdoings which are nothing but a violation of The Cost & Works Accountant Act, 1959 and Rules, Regulations made thereunder. I have approached Discipline Directorate which is duly authorised to supervise the implementation of the Act Rules & Regulations with quasi-Judicial powers and as defined processes. The complaint is rightfully made by me under the CWA Act, 1959 Chapter V and CWA (Procedure of Investigation of Professional and Other Misconduct and Conduct of Cases) Rules, 2007. Further, the complaint himself has also filed a case on similar lines against a firm where I am one of the partners. If I don't have any right to file a complaint with Institute, then how he could file the complaint? Instead of replying to my complaint point-by-point, the respondent has ventured into different direction to divert the attention of the Disciplinary Directorate, as he has no legitimate answer to deny any of my allegation. He has filed his defend statement of 496 pages which is not a subject matter for his defence against my allegations.

**2.0 Point 6 to 11 of rejoinder page no. 2 to 5**

The Respondent pretends that at the time of tendering process, I was not a not member of the Institute and hence, this complaint is made by me with help of stolen data. Kindly note that I was working with M/s. Diwanji & Co. since June 2017 as Cost Executive and after becoming member of the Institute and COP holder, I have joined the said firm as a partner.

There is no question of unauthorised use or stealing to data. If required, I shall furnish authorization letter from my firm, if required. I have downloaded and produced the data of the tender legitimately to provide sufficient proof for my complaint.

My firm was one of the participants of the tendering process. Hence the applicability of the case law VHCPL ADCC Pingalai Infrastructure Pvt. Ltd & An V Union of India & Others is irrelevant and not evening remotely applicable in the matter of this complaint. I have not challenged tendering process.

Thus, I have not made any violation of the ICWA Act, 1959, ICWA Regulations 1959 or any rules made thereunder. There is no violation of Sec 66C of IT Act, 2005, Sec 499 & Sec 420 of IPC Mention of this is nothing but a treat to me showing disrespect to the mechanism established by the Institute.

I respect senior member and at the same time expect that he shall follow professional ethics and Rules & Regulations made by the professional institute of which he is a member.

**3.0 Point 12 of rejoinder page 5:**





The Respondent has referred the order of BOD of the Institute-COM/21-CA(75)/2019 dated 12.06.2020 (Refer page 289 of the Rejoinder). He has claimed that Mr. Basu had managed to receive some information by some illegal path, which attracted disciplinary actions. The complainant had mentioned that in the said order it was held that complainant has not come with clean hands and it is unfortunate that the disciplinary mechanism is being misused.

Disciplinary Directorate shall take the cognizance of his attempt to tarnish the reputation of CMA Biswarup Basu, who is a past President of the Institute and one of the esteemed members of current Disciplinary Committee, on following grounds and initiate appropriate actions:

3.1. The respondent pretends, by using confusing language, that CMA Basu had used some illegal means and he had not come with clean hands and has misused disciplinary mechanism. In fact, allegations were made against CMA Basu and the case was dropped by the BOD as the case lacked merit. The respondent has tried to challenge the reputation of the Disciplinary Directorate, Disciplinary Committee and Institute.

3.2 The respondent has attached following orders of Boards of Discipline u/s. 21A (Please Refer page – 262 to 288 of the rejoinder):

- Complaint No. COM/21/CA-(80) 2019 dated 06.09.2020
- Complaint No. COM/21/CA-(81) 2019 dated 06.09.2020
- Complaint No. COM/21/CA-(82) 2019 dated 06.09.2020
- Complaint No. COM/21/CA-(83) 2019 dated 06.09.2020
- Complaint No. COM/21/CA-(84) 2019 dated 06.09.2020

Kindly note that in case of all these orders, by Board of Discipline, the complaints have been dropped against the respondents with a comment '**there was nothing on record to prove the allegations. The complainants have not been able to adduce any evidence regarding the same**' and the BOD has disposed of all complaints against respondents. In the instant case also, the respondent has failed to establish any similarity with any of my allegations or his so-called information and allegations against me. The respondent has tried to misguide and confuse the Disciplinary Directorate by attaching irrelevant references and thereby tried to waste time and energy of all concerned.

3.3 The respondent has tried to misguide and confuse the Disciplinary Directorate by attaching irrelevant references and thereby tried to waste time and energy of all concerned.

4.0 Point 13 of rejoinder page 6

The complainant has used foul and highly abusing language against my senior partner. CMA SV Diwanji, who is a one of the stalwarts of our profession. He was conferred a "Life time Achievers' Award" by the Institute in May 2018.

My firm and myself reserve our legal rights.

5.0 Point 13 of rejoinder page 6:

The respondent has given threat –

I would like to place on record following very vital reasons in relation with such complaints and threats which are very relevant:

5.1 In last week of November 2020, we along with other practicing members of Vadodara had received a mail with subject: "Quotation for Appointment of Cost





- Auditors for 2020-21” and inviting us to provide details and fees etc. of our clients from one company M/s. Neogen Chemicals Limited, Karakhadi.
- 5.2 Subsequently, it was found that the said mail was a fake mail. Hence, my partners, CMA S. V. Diwanji and CMA MihirVyas filed a complaint with cyber-crime portal of Government against unknown persons. Police investigated the mater and found that the said fake mail was originated from the office of CMA RK Patel (M/14115). Police had arrested CMA Bhavin R Patel (M/31969) (S/o. R.K. Patel) on 12.10.2021 and he has been released on bail. A copy of charge sheet – CC No.: 2613/2022 dated 02.02.2022 is attached herewith vide **Annexure- 1.**
- 5.3 Thereafter, CMA R K Patel and his colleagues namely CMA M B Kaka and CMA Y.S. Thakar had started harassing us through WhatsApp messages and/or phone to Mr. Diwanji, Mr. Mihir and our employees.
- 5.4 CMA R K Patel (M-14115), CMA M B Kaka (M-13599) and CMA Y S Thakar (M-9688) have filed around 12 RTI applications and around 07 Disciplinary Complaints against our colleagues till date. Even one disciplinary complaint with CA institute against one lady who was associated with our firm. Their motive is to take revenge against us only.
- 5.5 Baroda Chapter of the Institute was facing problems of frequent RTIs pertaining to Management Committees’ decisions. Upon investigation of the issues, it was noticed that two employees of the chapter were passing information of our minutes, documents to certain persons and on that basis, RTIs were being received. Employees have admitted in their statement before notary that they were providing such sensitive information of the chapter to CMA Y S Thakar (M/9688).
- 6.0 **Point 16 of rejoinder – page 6**  
**The respondent has requested to Disciplinary Directorate to keep off CMA AshwinDalwadi from the proceedings of this matter.**  
I offer no comments on this as have full faith in disciplinary mechanism of the Institute and it is a prerogative of the Disciplinary Mechanism of the Institute.
- 7.0 **Point 16 & 17 of rejoinder – page 6 & 8 respectively:**  
The complainant has already filed a complaint against my firm Ms. Diwanji & Co. Cost Accountants vide Complaint No. Com/21-CA(116)/2022 CMA RajuBhai Kantilal Patel (M-14115) [Complainant] Ms/ Diwanji& Co. Cost Accountants (FRN 000339) [Respondents] which has been already admitted by the Disciplinary Directorate and we have already filed our defence statement. This complaint is similar and on the same topic. Pages (186).  
Now, being a respondent of this case, he wants to become indirectly a complainant with a request to Disciplinary Directorate to start new investigation in form of fresh Information under rule 7 of the CWA (Procedure of Investigation of Professional and Other Misconduct of Cases) Rules 2007. He has attached as many as 188 pages in support of his response. This is irrelevant as the institute has already admitted a similar complaint – Com/21-CA (116)/2022 CMA RajuBhai Kantilal Patel (M/14115) [Complainant] M/s. Diwanji & Co. Cost Accountants (FRN 000339) [Respondents].  
**This request of fresh investigation his complaint in guise of Information needs to rejected ab initio. This is nothing but a ploy to drag the matter unnecessary and deprive me from the justice in time.**





**8.0 Absence of point-by-point response to my Complaint in defence statement:**

I would like to emphasise that the Respondent has evaded to respond my all allegations in his defence statement which shall be viewed seriously and move forward with proceedings of the case.

Even though, I fully understand the value of time of the Disciplinary Directorate, I would like to repeat my allegations against CMA R K Patel in brief so as to re-establish and amplify the respondent's mis-deed, gross professional negligence and deed which has brought disrepute to the Institute.

**8.0 Absence of point-by-point response to my Complaint in defence statement:**

8.1 CMA R K Patel has signed Cost Audit Reports in the name of M/s. RK Patel & Co. which is not registered with the Institute.

8.2 CMA R K Patel has misrepresented certain fact to CIL that his firm has 11 Cost accountants/Chartered Accountants. Out of these 11 Cost Accountants 8 cost Accountants were holding COP of the Institute and as per the Institute's rules, COP holder can't work as an employee of any of the organization.

One of these (8) COP holder was in service with BHEL

One of the cost Accountants, out of 3 other cost accountant was working with M/s. SantGobin India Limited.

8.3 CMA RK Patel has shown 5 Cost Accountants on roll of M/s. RK Patel & Co. Proprietary Firm (which is not registered with Institute) who were partners of his another firm M/s. R K Patel & Associates.

8.4 CMA RK Patel has attached his Cost Audit Report of M/s. IREL for the year 2017-18 to CIL. Cost Audit report is highly sensitive private document and the Govt. has not allowed sharing of the same even to Shareholders.

8.5 There were several gross mistakes in the said report e.g. It reads – "We, K G Goyal & Co. Cost Accountants..."

This was on so called letterhead of RK Patel & Co and degree of CMA RK Patel mentioned on seal of firm was – ME, FCWA. Words FCWA have been replaced by an Act in 2012. Further, the seal of the firm and top of it CMA RK Patel has signed the Report as a partner of R K Patel & Co. which is not there as per the records of the Institute.

**Kindly note that above is the gist of some major allegations. All my allegations made in the complaints have sufficient evidences for which CMA RK Patel has not shown any argument in his defence statement.**

**I sincerely request you to take cognizance of all my allegations without vesting of time at the hands of CMA RK Patel and provide justice to me and a profession as a whole at the earliest as per my prayer made in my complaint itself.**

Thanking you in anticipation. "

Here, in the first line (second word), of para 7.0, the complainant has wrongly used the word 'complainant' which should be 'respondent'.

Unquote

**10. Investigation & Analysis**

On a careful perusal of the complaint dated 15<sup>th</sup> June 2022 of the complainant, it is clear that the **major allegations** against the respondent is mainly on the counts that the





respondent had applied in response to an e-Expression Notice (CIL/GM(F)/2019-20/Cost Auditor/01 dated 14.08.2019) for empanelment and selection for appointment of cost auditor of Coal India Ltd (CIL) for financial year 2019-20, 2020-21 & 2021-22 wherein the respondent is understood to have applied for the said expression of interest with numerous factually incorrect information, some of which are as under:

- a) The respondent has registered his proprietary firm with the Institute with Trade Name 'R K Patel', Proprietor (FRN- 100180) with effect from 18.04.1996. *However, he is using Trade name 'R K Patel & Co., Proprietor FRN (100180) which is not approved by the Institute.*
- b) The respondent is fully aware about the fact that his trade name is not M/s R K Patel & Co. and hence while filling up various forms with MCA (e.g. Form 23C & Form CRA-2 – Appointment of cost auditor form), he has used his firm name as 'R K Patel' FRN 100180. (reference to page #55, 57, 58, 63, 66, 70, 103, 106, 110, 111, 115, 122, 127, 131, 134, 137, 165, 167 & 169 of Appendix- 1) which has been registered with the Institute.
- c) The respondent has stated in his response to CIL under – Format for Application (Page 23 of Appendix- 1) that his firm has 10 (ten) number of fully qualified assistants (Cost/Chartered Accountant) whereas he has listed name and membership of 11 (eleven) number of Cost Accountants as tabulated below:

S.no	Name	M.No.	COP Holder	Whether Br.-in-charge	Location of Member
1	Bhavin R Patel	31969	Y	N	Vadodara
2	Murlidhar Jagetiya	43616	N	N	Vadodara
3	Vishal Shah	31980	Y	N	Vadodara
4	Malay Hapani	44244	Y	N	Vadodara
5	S J Pandya	4828	N	N	Vadodara
6	Kalyan Killechetti	39065	Y	Y	Chennai
7	NeerajMaheswari	44079	Y	Y	Indore
8	Manoj Patil	34090	N	N	Vadodara
9	Anuj Kumar	46124	Y	Y	Delhi





# ICMAI THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

भारतीय लागत लेखाकार संस्थान  
Statutory Body under an Act of Parliament  
(Under the jurisdiction of Ministry of Corporate Affairs)



Headquarters:  
CMA Bhawan, 3 Institutional Area,  
Lodhi Road, New Delhi-110003

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

Website : www.icmai.in

10	Md. Shamim Ansari	43940	Y	Y	Kolkata
11	Amit Shinha	44797	Y	Y	Raipur

- d) Out of 11 cost accountants 08 (eight) cost accountants held COP of the Institute as on date of Application to M/s. CIL. While applying for COP as well as renewal for COP, a member is supposed to declare that he is not holding employment in any organization or under any person and further he has to confirm the information provided in Form M-3 are correct as part of verification. The respondent has produced factually incorrect list of cost accountants servicing to his firm with mala fide intention to CIL.
- e) The complainant has also alleged that while providing details about his experience and cost audit work undertaken by him, he has supplied the data of M/s. Indian Rare Earth Ltd. – IREL where he was appointed as cost auditors for FY 2018-19, 2019-20 and 2020-21. *As per the annual reports of M/s. IREL, these audits were issued in the name of M/s. R K Patel & Co. which is not registered with the Institute. Thus, it proves that the respondent had applied for the said tender with factually incorrect information to M/s. IREL.*
- f) The respondent has attached his Cost Audit Report of M/s. IREL for the year 2017-18 (Reference to Page 82 to 94 of Appendix- 1). Here, there are following seven major violations as mentioned below which may be of minor nature but deserve mention:
- Form CRA-3 dated 28.07.2019 submitted to IREL (India) Ltd starts with the sentence “We, K G Goyal & Co. Cost Accountants.....” [Reference to page 82 of Appendix- 1)
  - This report is on the letterhead of R K Patel & co. which has been signed for RK Patel & Co, by R K Patel as a partner.
  - In the said Form CRA-3, the respondent had put his seal as ‘R K Patel, ME, FICWA, Cost Accountants M-14115’. (Reference to page 83 of Appendix-1).
  - The Cost Audit Report for 2017-18 annexure to Cost Audit Report Part- 1 General Details of Cost Auditors item 3, the respondent has mentioned firm no 0017. This Firm Registration Number (FRN) represents that of M/s. K G





Goyal & Co. Partnership Firm. (Refer Page 86 of Appendix- 1). At item 4 on the same page, he has mentioned the firm name as ‘RK Patel & Co.’

- (v) The respondent’s rubber stamp depicts “R K Patel & Co. Cost Accountants FCMA M-14115”. The number written of the stamp is a membership number which is issued to the individual member and not to the firm. (All pages of Appendix- 1 to be referred)

**11. Comments from Disciplinary Directorate**

The Disciplinary Directorate now proceeds to address the veracity or otherwise of the allegations levelled against the respondent as here under:

- a) Allegation No. 1:- The first allegation is that the respondent has registered his firm with the Institute with Trade Name ‘R K Patel’, Proprietor (FRN-100180) with effect from 18.04.1996. However, he is using Trade name ‘R K Patel & Co., Proprietor FRN (100180) which is not approved by the Institute.
- (i) As part of the investigation that the Director (Discipline) is empowered to do u/s 21 of the Cost and Works Accountants Act, 1959, an email dated 16<sup>th</sup> May 2023 was sent to the Membership Department at or around 5.26 PM for seeking clarifications. Membership Department, vide email dated 17<sup>th</sup> May 2023 at or about 4.46 PM provided. For the sake of convenience, quires and reply is tabulated below the following details:

Quote

S.no	Information sought	Reply
1	Is there a firm registered with the Institute in the name of M/s. R K Patel & Company Cost Accountants?	No.
2	If so, please provide the Firm Registration Number (FRN) of M/s. R K Patel & Company?	Not applicable
3	If your answer to Para (1) above is negative, please provide the name of the firm belonging to CMA R.K. Patel, having membership number 14115.	M/s. R K Patel
4	Please provide the name of the firm having Firm Registration Number (FRN) 100180	M/s. R K Patel
5	When was the firm mentioned in Para (4) above registered with the Institute? In which name was the same registered?	18/04/1996





6	If the firm mentioned in Para (4) above is a Proprietary firm, please provide the name of the Proprietor.	Shri Rajubhai Kantilal Patel
7	Is the Proprietor mentioned in Para (6) above a Partner in any Partnership firm?	As on date, not a partner in any Partnership firm
8	If so, please provide the name of such firm and the Firm Registration Number (FRN)	Not applicable

Unquote

- (ii) It is clear from the email dated 17<sup>th</sup> May 2023 of the Membership Department that there is no firm registered with the Institute in the name of M/s. R K Patel & Company Cost Accountants. The usage by the respondent of the trade name "M/s. R K Patel & Company is not only incorrect but illegal too. This tantamount to misrepresentation of firm name and is a gross violation of the CWA Act, 1959.
- (iii) Further another email dated 24<sup>th</sup> August 2023 was sent to the Membership Department at or around 11.51 AM seeking the information, which is given by membership department vide mail dated 12<sup>th</sup> September 2023. For the sake of convenience, quires and reply is tabulated below the following details

S.no	Information sought	Reply
i)	The name and style of the firm in which the practitioner is required to carry on his practice	The form 'M-5' should be filled in and signed by the member concerned in terms of Regulation 108 of the Cost and Works Accountants Regulations, 1959. The Sl. No. 1 may be filled in with the name of the member or any firm/trade name which he wants to use. The firm/trade name to be used must comply with the provisions of Regulation 108 of the Cost and Works Accountants Regulations, 1959 with "& Co." Or "& Associates" as suffix
ii)	Whether the said firm is a proprietary or a partnership firm	CMA Rajubhai Kantilal Patel (M/14115) is practicing with his own short name 'R K Patel'
iii)	Copies of Form M-3 submitted by the practitioner to the Institute for the FY 2017-18, 2018-19, 2019-20, 2020-21 & 2021-22	Copies of form 'M-3' for the FY 2018-19, 2019-20, 2020-21 & 2021-22 are enclosed herewith. Unable to find out the submitted form 'M-3' for FY 2017-18,
iv)	A copy of last Form M-5, if any, submitted by the	Submitted form 'M-5' dated 07/11/2020 is enclosed herewith





	practitioner to the Institute	
v)	The name of the firm in which the Membership Department forwards its weekly report to the MCA in respect of FRN 10018	No firm details are being sent to MCA in the weekly report.

The Membership Department had attached copies of Form M-3 for the years FY 2018-19, 2019-20 & 2020-21. It is seen that the Form M-3 submitted by Membership Department shows that the respondent had stated the name of the firm as R.K. Patel & Co. While making an application for renewal of his CoP for the FY 2019-20. This is a misstatement. [However, whether the Membership Department had brought this to the notice of the respondent is not known)

- b) Allegation No. 2:- The second major allegation against the respondent is that he was fully aware about the fact that his trade name was not M/s R K Patel & Co. And hence while filling up various forms with MCA (e.g. Form 23C & Form CRA-2 – Appointment of cost auditor form), he has used his firm name as ‘R K Patel’ FRN 100180. (reference to page #55, 57, 58, 63, 66, 70, 103, 106, 110, 111, 115, 122, 127, 131, 134, 137, 165, 167 & 169 of Appendix- 1)

On a very careful perusal of these forms it is observed that in case of following forms, the firm name has been mentioned as “R.K. Patel & Co.”

Form No	Page No
23C	57
CRA4	63
CRA4	66
CRA2	70
23C	103
23C	106
23C	110
CRA4	122
23C	131
23C	134
23C	137





Although these forms have been filed by the companies, where the respondent has done cost audit, he ought to have alerted the companies about the incorrect usage of firm name being used. *The fact that the responded had not objected to the same clearly shows that the respondent had allowed the firm name M/s R.K. Patel & Co. To continue to be used by the companies.*

- c) Allegation No. 3:-The third allegation is that the respondent has stated in his response to CIL under – Format for Application (Page 23 of Appendix- 1) that his firm has 10 (ten) number of fully qualified assistants (Cost/Chartered Accountant) whereas he has listed name and membership of 11 (eleven) number of Cost Accountants as tabulated below:

Sr.	Name	M.No.	COP Holder	Whether in-charge	Br.-	Location of Member
1	Bhavin R Patel	31969	Y	N		Vadodara
2	Murlidhar Jagetiya	43616	N	N		Vadodara
3	Vishal Shah	31980	Y	N		Vadodara
4	Malay Hapani	44244	Y	N		Vadodara
5	S J Pandya	4828	N	N		Vadodara
6	Kalyan Killechetti	39065	Y	Y		Chennai
7	Neeraj Maheswari	44079	Y	Y		Indore
8	Manoj Patil	34090	N	N		Vadodara
9	Anuj Kumar	46124	Y	Y		Delhi
10	Md. Shamim Ansari	43940	Y	Y		Kolkata
11	Amit Shinha	44797	Y	Y		Raipur

As part of the investigation the Disciplinary Directorate had sent the following letter dated 15<sup>th</sup>/18<sup>th</sup> July 2022 to each of the above mentioned persons except Shri S.J. Pandya (serial no 5 above) who paid his last membership fee till FY 2021-22 which is reproduced below:

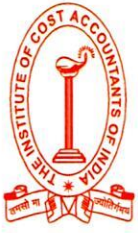
Quote:

'Sub:- Your employment with M/s R.K. Patel & Co. (FRN 100180) – Clarification Regds

Dear Sir,

This communication is being made under Section 21 of the Cost and Works





Accountants Act 1959 and the provisions of the Cost & Works Accountants (Procedure of Investigation of Professional and Other Misconduct and Conduct of Cases) Rules, 2007 as amended, in connection with certain disciplinary complaint filed against a member of this Institute.

It is given to understand that, CMA Rajubhai Kantilal Patel, bearing membership number 14115 has declared you on the rolls of his firm. However, as per the Institute's records, you are also a Partner in the firm M/s R K Patel & Associates (FRN 00240). Further, as per the Institute's records, you are holding a Certificate of Practice (CoP) and while applying for CoP / CoP renewal, you have not disclosed to the Institute the fact that you are working as Assistant Cost Accountant with CMA Rajubhai Kantilal Patel in his Proprietorship firm (FRN 100180).

In this connection, you are requested to clarify within a period of 10 days from the receipt of this communication as to whether you are / were at any time, an employee of M/s R. K. Patel & Co. (FRN 100180). Non-compliance, if any, shall amount to violation as defined in clause (2) of Part - III of the First Schedule of the CWA Act, 1959 which reads:-

*"A member of the Institute, whether in practice or not, shall be deemed to be guilty of professional misconduct, if he does not supply the information called for, or does not comply with the requirements asked by the Institute, Council or any of its committees, Director (Discipline), Board of Discipline, Disciplinary Committee, Quality Review Board or the Appellate Authority. "*  
Yours faithfully,"

The responses received from the above mentioned persons are as follows:

- (i) CMA Amit Sinha vide his email dated 21<sup>st</sup> July 2022 stated that "With reference to your above cited Letter no. (G/DD/Com-CA(109)/(M-44797)/2/07/2022), I would like to inform you that Sir, **I AMIT KUMAR SINHA, Prop. Amit Sinha & Co.(M.no.44797)** have never been engaged in employment with M/s R.K. Patel & Co.(FRN 100180) as stated by you in your letter.
- Sir since I have taken my COP, I am not engaged in any kind of employment whether full time or part time with M/s R.K. Patel & Co. or any other institution. I request you to look into the matter and do the needful, if any other clarification is required please let me know."
- (ii) CMA Md. Shamim Ansari vide email dated 27<sup>th</sup> July 2022 stated that "I am a partner in the firm "R K Patel & Associates" (FRN 00240) & also work with "R K Patel & Co.", Proprietorship firm (FRN 100180) on "case to case" basis. However, as per the notice, about me on employment with "R K Patel & Co.", Proprietorship firm (FRN 100180), I want to clear that I'm not aware of any employment with "R





K Patel & Co.", Proprietorship firm (FRN 100180) and haven't given my consent to act as an employee.”

(iii) CMA Anuj Kumar vide his email dated 27<sup>th</sup> July 2022 stated that “I am a partner in the firm "R K Patel & Associates" (FRN 00240) & also work with "R K Patel & Co.", Proprietorship firm (FRN 100180) on "case to case" basis. However, as per the notice, about me employment with "R K Patel & Co.", Proprietorship firm (FRN 100180), **I want to clear that I'm not aware of any employment with "R K Patel & Co.", Proprietorship firm (FRN 100180).**”

(iv) CMA Manoj Patil. vide his email dated 22<sup>nd</sup> July 2022, stated that “In reference to your below mail, I would like to inform your Good office that I had never worked with M/s RK Patel & CO. nor associated & also never consented them to allow my employment with RK Patel & CO. Further I am not aware in past or in presence associated/employment with RK Patel & CO.  
I request with these mail to consider my mail /clarification as an information for record of your good office and treat myself as member who is keen on abiding all rules and regulations of Institute. With these request your good office to let me know if I have to submit my clarification in writing or need to reach telephonically or in person”.

(v) CMA Neeraj Maheswari vide his email 28<sup>th</sup> July 2022 stated that “ With reference to the above mentioned your letter dated July 18, 2022, I Neeraj Maheshwari (M. No. 44079) hereby submit that I am a partner in the firm R K Patel & Associates, (FRN 00240) & also work with R K Patel & Co., proprietorship concern (FRN 100180) on case to case basis.  
However, as per the above mentioned ref. notice about the employment with R K Patel & Co., Proprietorship concern bearing FRN 100180, I want to clarify that I am not aware of any employment with this firm. If you need any further information, kindly let me know.





- (vi) CMA Kalyan Killechetti vide his email dated 26<sup>th</sup> July 2022 stated that "I am associated with M/s RK Patel & Co. on case to case assignment basis. I'm not aware of any employment with the firm."
- (vii) CMA Malay Hapani vide his email dated 15<sup>th</sup> July 2022 stated that "With reference to the trailing email, I would like to clarify that I am not aware of any such facts and I have never given any consent for the same to anyone."
- (viii) CMA Vishal Shah vide his email dated 28<sup>th</sup> July 2022 stated that "I am a partner in the firm "R K Patel & Associates" (FRN 00240) & also work with "R K Patel & Co.", Proprietorship firm (FRN 100180) on "case to case" basis. However, as per the notice, about my employment with "R K Patel & Co.", Proprietorship firm (FRN 100180), I want to clear that I'm not aware of any employment with "R K Patel & Co.", Proprietorship firm (FRN 100180)."
- (ix) CMA Murlidhar Jagetiya vide his email dated 18<sup>th</sup> July 2022 stated that " With reference to above, kindly note that I am a Practicing Chartered Accountant since November 2018 and I am/ was not associated with R. K Patel & Co. FRN No. (100180) either in practice or in employment.
- (x) CMA Bhavin R Patel vide his email dated 27<sup>th</sup> July 2022 stated that "I am a partner in the firm "R K Patel & Associates" (FRN 00240) & also work with "R K Patel & Co.", Proprietorship firm (FRN 100180) on "case to case" basis. However, as per the notice, about me employment with "R K Patel & Co.", Proprietorship firm (FRN 100180), I want to clear that I'm not aware of any employment with "R K Patel & Co.", Proprietorship firm (FRN 100180).

Thus, from the above self-declaration made by the above mentioned persons it is clear that except for CMA Md. Shamim Ansari, CMA Anuj Kumar, CMA Neeraj Maheswari, CMA Kalyan Killechetti, CMA Vishal Shah and CMA Bhavin R Patel who are associated with the respondent on a "case to case" basis, none of the above persons are associated with M/s R K Patel (FRN 100180) either as Partner or as employees.





Murlidgar Jegatiya has stated that he is a chartered accountant in practice and he is not associated with R. K Patel & Co. FRN No. (100180) either in practice or in employment. Also, three Cost Accountants, namely, CMA Manoj Patil, CMA Neeraj Maheshwari & CMA Malay Hapani have clearly stated that they have not worked in the firm M/s R.K. Patel & Co. CMA Malay Hapani also stated that he had not consented for use of his name by the respondent. In any case M/s R.K. Patel & Co. does not exist in Membership records of the Institute.

- a) The allegation that the respondent has produced factually incorrect list of cost accountants servicing to his firm with mala fide intention to CIL is also proved.
- b) The complainant has also alleged that while providing details about his experience and cost audit work undertaken by him, he has supplied the data of M/s. Indian Rare Earth Ltd. – IREL where he was appointed as cost auditors for FY 2018-19, 2019-20 AND 2020-21. As per the annual reports of M/s. IREL, these audits were issued in the name of M/s. R K Patel & Co. which is not at all registered with the Institute. Thus, it proves that the respondent had applied for the said tender with factually incorrect information to M/s. IREL. This allegation is also proved.
- c) Here all the allegations as stated below are proved:
  - (i) Form CRA-3 dated 28.07.2019 submitted to IREL (India) Ltd starts with the sentence “We, K G Goyal & Co. Cost Accountants.....” [Reference to page 82 of Appendix- 1)
  - (ii) This report is on the letterhead of R K Patel & co. which has been signed for RK Patel & Co, by R K Patel as a partner.
  - (iii) In the said Form CRA-3, the respondent had put his seal as ‘R K Patel, ME, FICWA, Cost Accountants M-14115’. (Reference to page 83 of Appendix- 1).
  - (iv) Cost Audit Report for 17-18 annexure to Cost Audit Report Part- 1 General Details of Cost Auditors item 3, the respondent has mentioned firm no 0017. This Firm Registration Number (FRN) represents that of M/s. K G Goyal & Co. Partnership Firm. (Refer Page 86 of Appendix- 1). At item 4 on the same page, he has mentioned the firm name as ‘RK Patel & Co.’ **No such firm RK Patel & Co., either as a Proprietor or RK Patel & Co, as a Partnership firm is registered with the Institute.**





(v) The respondent's rubber stamp depicts "R K Patel & Co. Cost Accountants FCMA M-14115". The number written of the stamp is a membership number which issued to the individual member and not to the firm. (All pages of Appendix- 1 to be referred.) Here it is to be mentioned that the qualification FICWA has been changed to FCMA during February back in 2012. He has signed this report in September 2019.

(vi) Regarding affixing the seal depicting "R K Patel & Co. Cost Accountants FCMA M-14115, it is to be stated that this is not a violation but a clerical error. Although, when he has signed the report in capacity of a partner or a proprietor of the firm, he should have provided seal of the firm not that of a member

12. The respondent's written statement does not have any merit as he has merely cast his aspersions on M/s Diwanji & Co. Rather than providing purposeful response to the allegations of the complainant, he has resorted to counter allegations. His citing of Board of Discipline case in the matter of Com/21-CA-(75)/2019 is also irrelevant and does not have any connection with the instant complaint. In fact, such a case against the respondent was closed by the Board of Discipline as there was no merit in the same. The respondent had quoted various provisions of IPC in his written statement which have no bearing whatsoever to the facts of the case. The respondent had taken a plea that the complainant was neither a member of the Institute nor a bidder as on the last date of tender submission nor before and therefore he had no right to file a complaint. Although it is true that the complainant was neither a member of the Institute nor a bidder as on the last date of tender submission, but he was a member of the Institute as on the date of filing the complaint, having obtained his associate membership on 20.04.2021 (as evident from records of membership Department)

13. In the meantime, a letter No. G/DD/Com-CA(109)/(M-14115)/03/05/2023 dated 18<sup>th</sup> May 2023 was sent to the respondent seeking clarifications on the following:

- (1) Is there a firm registered with the Institute in the name of M/s. R K Patel & Company, Cost Accountants?





- (2) If so, please provide the Firm Registration Number (FRN) of M/s. R K Patel & Company?
- (3) If your answer to Para (1) above is negative, please provide the name of the firm belonging to CMA R.K. Patel, (M/14115) whose Firm Registration Number (FRN) is 100180.
- (4) When was the firm mentioned in Para (3) above registered with the Institute?
- (5) If the firm mentioned in Para (3) above is a Proprietary firm, please provide the name of the Proprietor.
- (6) Is the Proprietor mentioned in Para (5) above a Partner in any Partnership firm?
- (7) If so, please provide the name of such firm and the Firm Registration Number (FRN) of such Partnership Firms.
- (8) Please also provide details of employees/assistants employed by the firm mentioned in Para (5) above.

14. The respondent, vide his letter dated nil submitted as follows, which is reproduced below:

Quote

**A. Questions posed by your good-self & Answers submitted by me –**

- (1) Is there a firm registered with the Institute in the name of M/s. R K Patel & Company, Cost Accountants?
- (2) If so, please provide the Firm Registration Number (FRN) of M/s. R K Patel & Company.
- (3) If your answer to Para (1) above is negative, please provide the name of the firm belonging to CMA R K Patel, (M/14115) whose Firm Registration Number (FRN) is 100180.
- (4) When was the firm mentioned in Para (3) above registered with the Institute?
- (5) If the firm mentioned in Para (3) above is a Proprietary firm, please provide the name of the Proprietor.

Since questions from 1 to 5 are all linked together, I am providing answer to all the questions under one single para.

I, CMA Rajubhyai Kantilal Patel (M. No. 14115) had applied for Certificate of Practice in the year 1996. The FRN Number 100180, was not allotted at the time of the application of COP. I have been practicing the profession of Cost Account under the name & style R K Patel & Co. for a long period of time. Till this complaint neither the Institute nor any other authorities have ever objected to the use of name & style R K Patel & Co. by me. In this connection I would like to submit as under –





# ICMAI THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

भारतीय लागत लेखाकार संस्थान

Statutory Body under an Act of Parliament  
(Under the jurisdiction of Ministry of Corporate Affairs)



**Headquarters:**  
CMA Bhawan, 3 Institutional Area,  
Lodhi Road, New Delhi-110003

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

**Website :** www.icmai.in

- a. I had always carried out the profession of Cost Accountant under the style & name R K Patel & Co. When I applied for COP in the year 1996, there was no such system for application of different Proprietor Firm Registration Number. The COP was applied to and it was a common practice that the members used to carry out their profession under the style & name '& Co.', '& Associates', etc. Accordingly I have been using the name & style R K Patel & Co to carry out the profession of Cost Accountancy.
- b. The system of allotting of FRN Number and revision of FRN Number was carried out by the Institute internally without taking any consent or views from the Practitioners. Hence I am completely unaware why the Institute has allotted the name and style 'Rajubhai Kantilal Patel' to my Proprietor Firm. I have neither applied nor consented for such name & style. It is the responsibility of the Institute to keep its record correct and take consent from the Practising Member if there is going to be any change in his name & style as is used by him over multiple years.
- c. Under the Cost Audit Mechanism, there was a practice for application for appointment of Cost Auditor (by company to the Ministry of Corporate Affairs) under form 23C. After that the Ministry used to go through all the relevant records and issue Approval to the Appointment of the Cost Auditor in Form 23D.

My appointment over the years as Cost Auditor has always been under the name & style R K Patel & Co. I am attaching various Form 23D approving my appointment as Cost Auditor (approval from Central Government to my Appointment as Cost Auditor) issued by Ministry of Corporate Affairs, Central Government in the name R K Patel & Co. **Refer Annexure 1 to 3 attached to this letter.** These are the letters from MCA, GOI which go back to 2006-07. Thus it is absolutely clear that I have been practicing under the name & style 'R K Patel & Co' for a long time and even the record available with MCA, GOI concurred with the same and accordingly I have received approvals from the MCA for my appointment as Cost Auditor under the name & style "R K Patel & Co."

The Institute itself is responsible for sharing information of all the Practitioners to the MCA, GOI, thus it is clear that even the Institute must have shared my Proprietorship name under the name & style 'R K Patel & Co.'

- d. Under the existing Cost Audit Mechanism there is a process of filing the Cost Audit Report using E-Filing System. The E filing System verifies the record of the Practising Member before the form is allowed to be filed. I would like to point out that the Form CRA-4 now used for filing of the Cost Audit Report is under the name & style "R K Patel & Co". This means that the record of MCA, GOI still shows my Proprietor Name as R K Patel & Co. Once again I would like to submit that this is the record that the Institute submits to the MCA, GOI and thus the Institute itself has accepted my Proprietorship name as R.K. Patel & Co. **Refer Annexure 4.**
- e. There is process of renewal of Certificate of Practice every year. Under this process a Form M5 is submitted by all the Practitioners to the Institute. This form categorically contains information under point 6 a of the form on "I am practicing in the name and style of (Please mention proprietary or

Page 27 of 73





partnership firm)". Under the said Information I have consistently mentioned my Proprietary name as RK Patel & Co. along with the FRN Number 100180. **Annexures 5 to 7 are the copies of M5 forms for the years 2015-16 to 2017-18.** In the said M5 forms I have clearly mentioned my Proprietary Firm Name as R.K Patel & Co.

I would like to point out that the Institute has renewed my COP based on these very M5 forms and hence I had always assumed that the Institute has renewed my Proprietary name as R K Patel & Co. Never in all these years, the Institute has communicated me that the name R K Patel & Co. mentioned on my M5 form is not valid and I shall use any other name.

- f. Thus I have safely assumed that the name & style R K Patel & Co which I have been using since long and which was confirmed and affirmed through the MCA, GOI approvals to my appointment as Cost Auditors and which was never objected to by the Institute on my submissions of M5 form for renewal of my COP was infact the Proprietary Name allotted to me.
- g. To sum-up, I CMA RajubhaiKantilal Patel (M. No. 14115) am a Practicing Cost Accountant. I have been carrying out the profession under the name & style R K Patel & Co., which is my Proprietary Practice. This is confirmed and affirmed by the communications from Central Government and also from the fact that over the years I have applied for renewal of my COP under the same name & style and never once the Institute has objected or informed me otherwise.

**B. Questions posed by your good-self & Answers submitted by me –**

- (6) Is the Proprietor mentioned in Para (5) above a Partner in any Partnership firm?  
(7) If so, please provide the name of such firm and the Firm Registration Number (FRN) of such Partnership Firms.

No, as on today I am not Partner in any other Partnership Firm registered with the Institute of Cost Accountants of India.

**C. Questions posed by your good-self & Answers submitted by me –**

- (8) Please also provide details of employees/assistants employed by the firm mentioned in Para (5) above.

I request Director Discipline to kindly let me know the date on which above details are required."

Unquote

In this letter, the respondent has clearly admitted that since long he had been using Proprietorship name as R.K. Patel & Co. He tries to shift the blame on the Institute when he states that "The Institute itself is responsible for sharing information of all the Practitioners to the MCA, GOI, thus it is clear that even the Institute must have shared my Proprietorship name under the name & style 'R K Patel & Co'". *The fact that Form 23D dated 25.07.2006 issued by the Central Government approving his appointment as Cost Auditor issued by Ministry of Corporate Affairs, Central Government in the name R K Patel & Co cannot validate an illegal action on the part of the respondent.*





**15. Findings**

- a) On a careful perusal of the complainant dated 15th June 2022 of the complainant, the undated written statement of the respondent and the rejoinder dated 29th October 2022 and various documents on record, it is evident that he respondent, by his own admission, had stated in response to the letter dated 18<sup>th</sup> May 2023 of the Director (Discipline) that till this complaint neither the Institute nor any other authorities have ever objected to the use of name & style R K Patel & Co. by me. He further states that he had always carried out the profession of Cost Accountant under the style & name R K Patel & Co. It may be mentioned that a wrong doing cannot be allowed to be continued just because there was no objection from anybody.
- b) The respondent had given factually incorrect information to the Institute in the Form M-3 i.e., the prescribed form for renewal of Certificate of Practice stating the name of his proprietary firm as "R.K. Patel & Co." knowing fully well that the name of his firm is RK Patel. This is a gross violation as he has misled the institute.
- c) The respondent had undertaken cost audits of various reputed companies including the likes of Gujarat State Patronet Ltd, Indian Rare Earths Ltd, Gujarat Urja Vikas Nigam Ltd, Gujarat Energy, Transmission Corporation Ltd, Gujarat Narmada Valley Fertilizers & Chemicals Ltd over the years in the name of M/s R.K. Patel & Co. thereby misleading the company and misrepresenting his name of the firm. As evident from the annexure annexed by the complainant, the complainant had undertaken cost audits of several reputed companies in the name and style of a firm which does not exist in Institute records.
- d) In this connection, the Disciplinary Directorate was in receipt of an email dated 10<sup>th</sup> May 2023 from the Senior Manager (Finance) of Gujarat Narmada Valley Fertilizers & Chemicals Ltd which is reproduced below:

Quote:

"Dear Sir,

We have appointed M/s. R K Patel & Company Cost Accountant Vadodara (Firm Registration No 100180) as Cost Auditor of the Company for FY 2022-23 at a remuneration of ₹1,00,000/- per Annum plus out of pocket expense and statutory levies for carrying out the cost audit work of the Company. In this regard following actions has already been taken by the company

- a) Form CRA 2 has been submitted on 14th June 2022 as firm Name M/s. R K





- Patel & Company Firm type "Proprietary", (Attached)
- b) Resolution of Ratification of remuneration payable to Cost Auditors of the Company for the Financial Year 2022-23 has also been passed in Annual General Meeting of FY 2021-22. (Attached)

It is to be noted that Appointment was done on the basis of documents submitted by Mr. R K Patel proprietor of the firm M/s. R K Patel & Company. (Attached). Now someone from general public has raised a query that on the website of Institute of Cost Accountant of India there is no firm registered in the name M/s. R K Patel & Company Cost Accountant Vadodara (Firm Registration No 100180) actually Firm name registered on the institute website is "R K Patel" (Firm Registration No 100180). (Details of Institute records attached)

Kindly guide us on:

1. Does any corrective action is required by Company.
2. Appointment of Cost Auditor in name of M/s. R K Patel & Company will be considered at Valid Appointment.
3. Do we need to passed Board Resolution again with name of M/s. R K Patel.
4. Do we need to submit Form CRA 2 again with revised name.
5. Do we need to ratify the resolution with name "M/s. R K Patel" in the para of Ratification of remuneration payable to Cost Auditor for FY 2022-23 in the Annual Report of FY 23-24.

With regards,

For Gujarat Narmada Valley Fertilizers & Chemicals Ltd.”

Unquote

- e) It is thus clear that Gujarat Narmada Valley Fertilizers & Chemicals Ltd is now faced with the problem of taking corrective action as they have shown the wrong name of the firm in CRA-2. This is a clear case of misrepresentation and falsification.
- (i) The respondent had shown the names of 11 people in the rolls of the firm while the fact is that only a few of them are attached with the respondent's firm and that too on a "case to case basis".
  - (ii) The respondent had shown extreme casual approach while writing his report Form CRA-3 dated 28.07.2019 submitted to IREL (India) Ltd which starts with the sentence "We, K G Goyal & Co. Cost Accountants....." [Reference to page 82 of Appendix- 1)
  - (iii) The respondent, by using a false name of the firm M/s R.K. Patel & Co. had put several reputed companies to utter embarrassment which has not only adversely affected the reputation of the respondent but also of the Institute thereby bringing disrepute to the profession.
  - (iv) The respondent's justification that 'I have received approvals from the MCA for my appointment as Cost Auditor under the name & style "R K Patel & Co." is not tenable as he did not disclose with the MCA the true name of the firm in which it has been registered with the Institute and therefore, does not hold any ground.

**16. Prima Facie Opinion**

- a) The above-mentioned complaint has been examined in pursuance of Section 21 of the Cost and Works Accountant Act, 1959 as amended in 2006 read with Rule 9 of





the Cost and Works Accountants (Procedure of Investigations of Professional and other Misconduct and Conduct of Cases) Rules, 2007, CMA R.K. Patel, (M/14115) respondent, is guilty of contravening the following provisions of the Cost and Works Accountants Act:

- i. Clause (3) of Part III of the First Schedule to the CWA Act, 1959 – 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.
  - ii. Clause (2) of Part IV of the First Schedule to the CWA Act, 1959 – 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.
  - iii. Clause (1) of Part II of the Second Schedule to the CWA Act, 1959 – contravenes any of the provisions of this Act or the regulations made there-under or any guidelines issued by the Council.
  - iv. Clause (3) of Part II of the Second Schedule to the CWA Act, 1959 – includes in any information, statement, return or form to be submitted to the Institute, Council or any of its Committees, Director (Discipline), Board of Discipline, Disciplinary Committee, Quality Review Board or the Appellate Authority any particulars knowing them to be false.
- b) In the 82<sup>nd</sup> meeting of the Committee held on 27<sup>th</sup> February 2024, this matter came up for discussion before the august Committee. CMA Ashwin G Dalwadi, Presiding Officer of the Disciplinary Committee, as a measure of transparency, pellucidity and good governance left the meeting room. In the absence of CMA Ashwin G Dalwadi, Presiding Officer, Disciplinary Committee, Shri Saraswati Prasad, IAS (Retd.), Government Nominee, being the senior most amongst the members nominated by the Central Government u/s 21B of the Cost and Works Accountants Act, 1959, took the chair as the 'Presiding Officer' in accordance with Rule 16(4) of the Cost and Works Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007.
- c) The prima facie opinion formed by the Director (Discipline) in terms of Rule 9(2)(a)(ii) the Cost and Works Accountants (Procedure of Investigations of





Professional and Other Misconduct and Conduct of Cases) Rules, 2007 together with the documents relied upon by Director (Discipline) was placed before the Committee which was **agreed** to by the Committee in terms of Rule 9(2)(b) of the Rules. The Committee noted that this was a fit case against the respondent to be proceeded against in the light of the violations committed by the respondent and directed Director (Discipline) to proceed further under Chapter V and ensure compliance of Rule 18(2)/18(3) of the Rules.

### 17. Proceedings Under Rule 18(2)/18(3) of The Rules

- a) Prima facie opinion dated 27<sup>th</sup> February 2024 together with the documents relied upon was sent under the cover of letter Nos. G/DD/Com-CA(109)/(M-49954)/PFO/06/02/2024 & G/DD/Com-CA(109)/(M-14115)/PFO/04/03/2024 both dated 4<sup>th</sup> March 2024 were sent both to the complainant and respondent requiring the latter to file the second written statement within 21 days from the date of receipt of the same.
- b) As per the speed post confirmation, the prima facie opinion dated 27<sup>th</sup> February 2024 sent under the cover of letter No. G/DD/Com-CA(109)/(M-14115)/PFO/04/03/2024 dated 4<sup>th</sup> March 2024 had reached the respondent on 8<sup>th</sup> March 2024. The respondent, by an email dated 30<sup>th</sup> March 2024 at or about 6.01 PM stated that he had received the PFO on 11.03.2024 with instructions to reply within 21 days of receipt of PFO. However, due to March year end closing activities and ill health issues, he requests time extension for another 60 days, i.e. up to 30.05.2023 for submission of reply to PFO. By an email dated 1<sup>st</sup> April 2024 sent at or about 2.27 PM to the respondent, he was granted an extension of 03 (three) weeks time for submitting the second written statement so as to reach the disciplinary Directorate on or before 20th April 2024 i.e., 3 weeks w.e.f. 30th March 2024.
- c) The respondent submitted his second written statement which reached the Disciplinary Directorate on 26<sup>th</sup> April 2024 which is reproduced below in verbatim:

Quote:

BEFORE THE DISCIPLINARY COMMITTEE  
THE INSTITUTE OF COST ACCOUNTANTS OF INDIA  
Complaint No. Com/21-CA(109)/2022





CMA Anuj Rameshchandra Pathak .....  
Complainant  
Vs.  
CMA Rajubhai Kantilal Patel .....  
Respondent

**WRITTEN STATEMENT ON BEHALF OF THE RESPONDENT TO THE COMPLAINT OF THE COMPLAINANT AND THE PRIMA FACIE OPINION OF THE DIRECTOR (DISCIPLINE) OF THE INSTITUTE OF COST ACCOUNTANTS OF INDIA.**

**MOST RESPECTFULLY SHOWETH :**

- A. At the outset, the contents of the complaint filed by the Complainant and the prima-facie opinion of the Director (Discipline) of the Institute are denied and wrong being misconstrued and misconceived except those that are specifically admitted hereinafter to be true and correct.

**PRELIMINARY OBJECTIONS:**

1. The complaint filed by the Complainant and the prima-facie opinion formed in pursuance thereto 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 on 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 of 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 or the Director (Discipline) 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. The prima-facie opinion dated 04.03.2024 is without application of mind and in fact goes beyond the complaint filed by the complainant for reasons best known to the Director (Discipline).
5. The Director (Discipline) in its prima-facie opinion has wrongly alleged that the Respondent is guilty of contravening of the following provisions of the Act.
  - i. Clause (3) of Part III of the First Schedule to the CWA Act, 1959 – 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.
  - ii. Clause (2) of Part IV of the First Schedule to the CWA Act, 1959- in the opinion of the Council be brings disrepute to the profession or the Institute as a result of his action whether or not related to his professional work.





# ICMAI

## THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

भारतीय लागत लेखाकार संस्थान

Statutory Body under an Act of Parliament  
(Under the jurisdiction of Ministry of Corporate Affairs)



**Headquarters:**  
CMA Bhawan, 3 Institutional Area,  
Lodhi Road, New Delhi-110003

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

- iii. Clause (1) of Part II of the Second Schedule to the CWA Act, 1959-contravenes any of the provisions of this Act or the regulations made there-under or any guidelines issued by the Council.
- iv. Clause (3) of Part II of the Second Schedule to the CWA Act, 1959-includes in any information, statement, return or form to be submitted to the Institute, Council or any of its Committees, Director (Discipline), Board of Discipline, Disciplinary Committee, Quality Review Board or the Appellate Authority any particulars knowing them to be false.
6. The Respondent had not given any false information while responding to the tenders of enquiries to come within the purview of being guilty under Clause (3) of Part III of the First Schedule to the CWA Act, 1959. The said fact shall be demonstrated in the preliminary submissions hereunder.
7. 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. Neither the Complainant nor the Director (Discipline) has been 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 or prima-facie opinion 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.
8. The Respondent has not contravened with any of the provisions of the Act or regulations made thereunder or any guidelines issued by the Council. The complaint or the prima-facie opinion fails to make out any case under Clause (1) of Part II of the Second Schedule to the CWA Act, 1959.
9. The Respondent has not included any information, statement, return or form to be submitted to the Institute, Council or any of its committees, Director (Discipline), Board of Discipline, Disciplinary Committee, Quality Review Board or the Appellate Authority any particulars which were false or known to be false. The complaint or the prima-facie opinion fails to make out any case under Clause (3) of Part II of the Second Schedule to the CWA Act, 1959.
10. The above assertions/submissions on behalf of the Respondent shall be further substantiated with facts in rebuttal to the complaint of the Complainant pursuant to which the prima-facie opinion was found.
11. From the contents of the complaint and the manner in which the prima-facie opinion has been formed and the proceedings have proceeded against the Respondent, 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.
12. The primary allegations of the Complainant are follows –
  - (a) Alleged wrong information provided in the tender floated by Coal India Ltd. (CIL).
  - (b) Use of the tradename – ‘R.K. Patel & Co.’ in place of the registered name – ‘R.K. Patel’.
  - (c) Mention of FICWA instead of FCMA on the letter head of the Respondent.

### PRELIMINARY SUBMISSIONS:





**Name of the Proprietorship concern:**

13. The Respondent (M No. 14115) had applied for Certificate of Practice in the year 1996. The FRN Number 100180, was not allotted at the time of the application of COP. The Respondent has been practicing the profession of Cost Accountant under the name & style R.K. Patel & Co. for a long period of time. Till this date, neither the Institute nor any other authorities have ever objected to the use of name & style R.K. Patel & Co. by the Respondent.
14. The Respondent had always carried out the profession of Cost Accountant under the style & name R.K. Patel & Co. When the Respondent had applied for COP in the year 1996, there was no such system for application of different Proprietor Firm Registration Number. The COP was applied to and it was a common practice that the members used to carry out their profession under the style & name '& Co.', '& Associates', etc. Accordingly, the Respondent has been using the name & style R.K. Patel & Co. to carry out the profession of Cost Accountancy.
15. The system of allotting of FRN Number and revision of FRN Number was carried out by the Institute internally without taking any consent or views from the Practitioners. Hence, the Respondent is completely unaware why the Institute has allotted the name and style 'Rajubhai Kantilal Patel' to Proprietor Firm of the Respondent. The Respondent has neither applied nor consented for such name & style. It is the responsibility of the Institute to keep its records correct and take consent from the Practicing Member if there is going to be any change in his name & style as is used by him over multiple years.
16. Under the Cost Audit Mechanism, there was a practice for application for appointment of Cost Auditor (by company to the Ministry of Corporate Affairs) under from 23C. After that the Ministry used to go through all the relevant records and issue Approval to the Appointment of the Cost Auditor in form 23D.
17. The appointment of the Respondent over the years as Cost Auditor has always been under the name & style R.K. Patel & Co. The Respondent is attaching various Form 23D approving his appointment as Cost Auditor (approval from Central Government to the Appointment as Cost Auditor) issued by Ministry of Corporate Affairs, Central Government in the name R.K. Patel & Co. (Annexure R1 attached herewith). These are the letters from MCA, GOI which go back to 2006-07. Thus, it is absolutely clear that the Respondent has been practicing under the name & style 'R.K. Patel & Co.' for a long time and even the record available with MCA, GOI concurred with the same and accordingly the Respondent has received approvals from the MCA for his appointment as Cost Auditor under the name & style "R.K. Patel & Co."
18. The Institute itself is responsible for sharing information of all the Practitioners to the MCA, GOI, thus it is clear that even the Institute must have shared the proprietorship name of the Respondent under the name & style 'R.K. Patel & Co.'.
19. Under the existing Cost Audit Mechanism there is a process of filing the Cost Audit Report using E-Filing System. The E filing System verifies the record of the Practicing Member before the form is allowed to be filed. The Respondent would like to point out that the Form CRA-4 now used for filing of the Cost Audit Report is under the name & style "R.K. Patel & Co.". This means that the record of MCA, GOI still shows my Proprietor Name as R.K. Patel & Co. Once against,





- the Respondent would like to submit that this is the record that the Institute submits to the MCA, GOI and thus the Institute itself has accepted my Proprietorship name as R.K. Patel & Co. (**Annexure R2 is attached herewith**).
20. There is process of renewal of Certificate of Practice every year. Under this process a Form M5 is submitted by all the Practitioners to the Institute. This form categorically contains information under point 6(a) of the form as "I am practicing in the name and style of (Please mention proprietary or partnership firm)". Under the said Information the Respondent has consistently mentioned Proprietary name as R K Patel & Co. along with the FRN Number 100180 (**Annexures R3 are the copies of M5 forms for the year 2015-16 to 2017-18 attached herewith**). In the said M3 forms, the Respondent has clearly mentioned my Proprietary Firm Name as R.K. Patel & Co.
  21. The Institute has renewed COP of the Respondent based on these very M5 forms and hence the Respondent had always assumed that the Institute has renewed the proprietary name as R K Patel & Co. Never in all these years the Institute has communicated that the name R.K. Patel & Co. mentioned on my M5 form is not valid and the Respondent should use any other name.
  22. To sum-up, the Respondent a Practicing Cost Accountant. He has been carrying out the profession under the name & style R.K. Patel & Co., which is his Proprietary Practice. This is confirmed and affirmed by the communications from Central Government and also from the fact that over the years he had applied for renewal of my COP under the same name & style and never once the Institute has objected or informed him otherwise.
  23. The Respondent would also like to bring to notice the below discrepancies in Institute COP Yearly Booklet published:

Sr. No.	Firm Registration Number	Membersh ip Number	ICMAI cop Book year as on	Name of firm as per Book let	Actual name of the firm as per ICMAI website against firm Registration Number
1.	102242	12867	1st April 2016	Thakur & Co.	Manas Kr.Thakur
2.	102242	12867	1st April 2017	Thakur & Co.	Manas Kr. Thakur
3.	102242	12867	1st April 2018	No Name	Manas Kr. Thakur
4.	102242	12867	1st April 2019	No Name	Manas Kr. Thakur
5.	102242	12867	1st April 2020	Manas Kr. Thakur, Thakur & Co.	Manas Kr. Thakur

Firm Registration Number : 100180

Sr. No.	Firm Registration Number	Membersh ip Number	ICMAI cop Book year as on	Name of firm as per Book let	COP renewed by ICMAI in name and style of
1.	100180	14115	1st April 2016	No name	R K Patel & Co.
2.	100180	14115	1st April 2017	No name	R K Patel & Co.
3.	100180	14115	1st April 2018	No name	R K Patel & Co.
4.	100180	14115	1st April 2019	No name	R K Patel & Co.





5.	100180	14115	1st April 2020	R K Patel, R K Patel & Co.	R K Patel & Co.
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**(Annexures R4 is attached herewith)**

24. From above table, it is very much evident that the Respondent been renewing his COP in the name & style of R K Patel & Co., whereas the apparent discrepancies with other learned members like Past President Shri Manas Kumar Thakur.
25. It is also pertinent to mention that the Institute is allowing practicing cost accountant to run two Proprietary firms parallelly in two separate names, however the Respondent has not done that and continued to use R K Patel & Co. since inception i.e. 18.04.1996. Following are the few examples –

As per Institute website Membership No. 17312. COP renewed upto 31.03.2025

1<sup>st</sup> Proprietary firm:

Sr. No.	Description	Details
1.	Firm Name	Basawaraj Aneppa Gudda & Co.
2.	Constitution date	27/04/2022
3.	Firm Registration number	005527
4.	Firm type	Proprietary

2<sup>nd</sup> Proprietary firm

Sr. No.	Description	Details
1.	Firm Name	Basawaraj Gudda
2.	Constitution date	18/01/2016
3.	Firm Registration number	104330
4.	Firm type	Proprietary

As per Institute website Membership No. 17126, COP renewed upto 31.03.2024

1<sup>st</sup> Proprietary firm :

Sr. No.	Description	Details
1.	Firm Name	S C Inani & Associates
2.	Constitution date	22/08/2023
3.	Firm Registration number	006259
4.	Firm type	Proprietary

2<sup>nd</sup> Proprietary firm :

Sr. No.	Description	Details
1.	Firm Name	S C Inani & Associates
2.	Constitution date	12/11/2012
3.	Firm Registration number	101916
4.	Firm type	Proprietary

And many such case like this is annexed as per ICMAI website.

**(Annexures R5 is attached herewith)**

26. It is further submitted that MCA is final approving authority of Cost audit related forms states (Please refer Regulation 17 of the Companies Regulation, 1956)
17. (1) The Registrar shall examine, or cause to be examined, every document received in his office which is required or authorised by or under the Act to be registered, recorded or filed by or with the Registrar.





(2) If any such document is found to be defective or incomplete in any respect, the Registrar shall give notice in writing to the company to rectify the defect or complete the document or to file a revised document complete in all respects, within 15 days from the date of such notice.

Till date neither the respondent nor none of the companies to whom the respondent have served as cost auditor has not received any such notice regarding mismatch in name of firm. Also no question of embezzlement arises for such companies.

27. Also the mail from Mr. Dilip Jain of GNFC was seeking advisory from ICMAI and not seeking disciplinary action against the respondent nor has mentioned any embezzlement faced by him.
28. Hence the question of misrepresentation/misstatement of name/falsification of name/embezzlement to companies does not arise – as confirmed by Membership Deptt. That no data of firm details are submitted to MCA by the Institute.
29. Last but not the least, the law provides that proprietor is the proprietorship firm and vice-a-versa i.e. proprietorship firm is the proprietor. These are not separate entities, but the individual himself. It is also pertinent to mention that there is no bar in law or otherwise to have a name of the proprietorship firm which is distinct from the name of the proprietor. Therefore, use of R.K. Patel or Rajubhai Kantilal Patel or R.K. Patel & Co. assumes no significance in law or does not amount to any false information or representation till the time the Respondent herein is the proprietor thereof. Such an allegation has been made and a mountain out of a mole has been sought to be made only with malafide intention and ulterior motives.

**Tender of Coal India Ltd.**

30. It is a matter of fact that the Respondent's firm had participated in the tender floated by M/s. Coal India Limited (CIL) vide e-Expression Notice (NTT No. CIL/GM(F)/2019-20/Cost Auditor/01 dated 14.08.2019) for empanelment and selection for appointment of Cost Auditor of CIL for Financial Year 2019-20, 2020-21 & 2021-22.
31. The tender application of the firm of the Respondent for appointment as the Cost Auditor of CIL was not considered at all and the bid was rejected at the technical stage itself and no contract was resulted thereof.
32. The tender provided a stipulation to provide a list of cost accountants who were working/associated with the Respondent's firm. The said list was submitted along with other documents at the time of participation in the tender of CIL in order to fulfil the criteria for selection.
33. It is a matter of fact that the Cost Accountants/Chartered Accountants work on retainership 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 its 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.
34. It is submitted that neither the said persons were 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 persons are in its employment. Therefore, the allegation of the Complaint 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 malafide intention and ulterior motives.

35. No harm or injury has been caused to either CIL or any other person due to the declaration made by the Respondent's firm during the tender process of CIL. Also the respondent has not mentioned any joining date of any person as alleged in his bid which was mandatory criteria and respondent's bid was rejected in technical stage itself.
36. The responses from the various members of the Institute as referred to in the prima facie opinion of which an adverse opinion has been formed against the Respondent are disputed and denied.
37. Therefore, in view of the above, it cannot be alleged or stated that the Respondent's firm had provided any false information while responding to the tender of CIL.

#### **Locus of the Complainant**

38. It is once again reiterated that the complainant has no locus standi for making the present complaint. The complainant was neither the bidder nor a member of Institute as on last date of CIL tender submission. In fact, the complainant become member of the Institute after nearly 2 – 3 years.
39. The complainant has raised complaint in respect of the tender in question whose last date of tender submission was 28.08.2019 and the complaint has been made after 3 – 4 years of last date of tender submission.
40. The said complaint is based on stolen evidence and complainant is not in position to prove his locus standi as well as source through which he has got the documents. In fact, the complainant has brought disrepute to the Institute by making use of stolen evidence for tarnishing our image and getting professional advantage by maligning our image.
41. The complainant has contended that the source of his information was his present partnership firm in which he became partner in the year 2021 which is after 2 years of last date of tender submission.
42. It is very evident that complainant has not come clean hands so far as evidence is concerned and complainant has raised this complaint only after he became partner with M/s. Diwanji & Co. which clearly makes it a provoked complaint at behest of the competitors of the Complainant.
43. The complainant has given fraudulent declaration that he is one of the persons who has bid in the said tender. The complainant was neither a bidder in his individual capacity nor he was a partner in any firm who has bid for the tender.
44. The alleged evidence produced by the complainant are tampered and without any certificate from owner of tender documents viz. Coal India Ltd. In fact, he has stolen the documents from Coal India office and made this frivolous complaint to tarnish our image.
45. It is also pertinent to mention that the said tender was cancelled/scrapped/short closed and fresh tender was called for after 9 months due to administrative reasons/litigations in court. (Annexure R6 showing both showing cancelled and fresh issued tender).
46. In view of the foregoing facts and circumstances, the complaint of the Complainant is liable to be dismissed/rejected being misconceived and





misconstrued. The prima-facie opinion is liable to be disregarded. It is prayed that the complaint be dismissed with exemplary costs being frivolous and unjustified.

d) **Comments**

From the second written statement furnished by the respondent, it is clear that he has accepted the allegations of:

- (i) The respondent had given factually incorrect information to the Institute in the Form M-3 i.e., the prescribed form for renewal of Certificate of Practice stating the name of his proprietary firm as “R.K. Patel & Co.” knowing fully well that the name of his firm is RK Patel which is registered with the Institute.
- (ii) The fact that MCA has not objected to the use of the firm’s name as “R.K. Patel & Co.” does not legalise a wrong doing.
- (iii) Even though the complainant was neither a bidder nor a member of Institute as on last date of CIL tender submission, this does not invalidate the allegations made by him in his complaint.

e) In the 85<sup>th</sup> Adjourned meeting of the Committee held on 7<sup>th</sup> June 2024, the matter came up for discussion wherein the learned members of the Committee perused the entire complaint and the responses received from the respondent as well as the comments of Director (Discipline). The Committee directed Director (Discipline) to explain the allegations levelled against the respondent and the violations that have been made by the respondent in the light of the prima facie opinion framed by Director (Discipline). Director (Discipline) stated that on a careful perusal of the complaint, the two undated written statements which reached the Disciplinary Directorate on 30<sup>th</sup> August 2022 and 16<sup>th</sup> April 2024 of the respondent and various documents and material on record, it is clear that:

- i. The respondent had applied in response to an e-Expression Notice (CIL/GM(F)/2019-20/Cost Auditor/01 dated 14.08.2019) for empanelment and selection for appointment of cost auditor of Coal India Ltd (CIL) for financial year 2019-20, 2020-21 & 2021-22 wherein the respondent had applied for the tender in the name and style “R.K. Patel & Co.” However, records with the Institute indicate that the respondent has registered his firm with the Institute with Trade Name ‘R K Patel’, Proprietor (FRN-100180) with effect from





- 18.04.1996. However, he has been using Trade name 'R K Patel & Co., Proprietor FRN (100180) which is not approved by the Institute.
- ii. The respondent had given factually incorrect information to the Institute in the Form M-3 i.e., the prescribed form for renewal of Certificate of Practice stating the name of his proprietary firm as "R.K. Patel & Co." knowing fully well that the name of his firm is RK Patel. The Membership Department had attached copies of Form M-3 (Form for renewal of Certificate of Practice) for the years FY 2018-19, 2019-20 & 2020-21. It is seen that the Form M-3 submitted by the respondent to the Membership Department shows that the respondent had stated the name of the firm as R.K. Patel & Co. while making an application for renewal of his CoP for the FY 2019-20. This is a misstatement.
  - iii. The respondent had undertaken cost audits, year after year of several companies including public sector companies by misrepresenting the name of the firm as 'R. K. Patel & Co.'
  - iv. While applying for the above mentioned tender of Coal India Ltd, the respondent had submitted a list of 11 (eleven) persons with the heading "List of Cost Accountants ICMAI of the firm" to indicate that eleven practitioners are associated in the firm. The firm M/s R.K. Patel & Co is a proprietary firm and investigation revealed that except for CMA Md. Shamim Ansari, CMA Anuj Kumar, CMA Neeraj Maheswari, CMA Kalyan Killechetti, CMA Vishal Shah and CMA Bhavin R Patel, who are associated with the respondent on a "case to case" basis, none of the remaining persons are associated with M/s R K Patel (FRN 100180) either as Partner or as employee.

The above violations stated in para (i) to (iv) above constitute major violations. Some of the other violations committed by the respondent are as follows:

- a. Form CRA-3 dated 28.07.2019 submitted to IREL (India) Ltd starts with the sentence "We, K G Goyal & Co. Cost Accountants....." which report is on the letterhead of R K Patel & co. which has been signed for RK Patel & Co, by R K Patel as a partner.
- b. In the said Form CRA-3, the respondent had put his seal as 'R K Patel, ME, FICWA, Cost Accountants M-14115'.





- c. The respondent had also used the acronym ‘‘FICWA’’ instead of ‘‘FCMA’’ which is a violation as the name of the Institute was changed from the Institute of Cost and Works Accountants of India to the Institute of Cost Accountants of India as early as in January 2012 and the members of the Institute were advised to use descriptive letters ‘‘ACMA’’/‘‘FCMA’’ as suffix instead of ‘‘AICWA’’/‘‘FICWA’’. Such a change was brought about by the Government of India by amendment to the Cost and Works Accountants Act, 2011 by amending Section 5(2) of the Cost & Works Accountants Act, 1959 which was published in the Official gazette of India on 12<sup>th</sup> January 2012.
- f) The Committee after giving a patient hearing to the submissions made by Director (Discipline) was of the view that the violations mentioned in para a, b & c above were of minor nature.
- g) The Committee directed Director (Discipline) to call both the complainant and the respondent in the next meeting of the Committee for making oral submissions, if any, in terms of sub-rule (6) Rule 18 of the Cost and Works Accountants (Procedure of Investigation of Professional and Other Misconduct and Conduct of Cases) Rules, 2007.

#### **18. Proceeding under rule 18(6) of The Rule, 2007**

##### **a) Proceeding of 86<sup>th</sup> Meeting of Disciplinary committee held on 19<sup>th</sup> July, 2024**

- (i) In accordance with such directives of the Committee letter Nos. G/DD/Com-CA(109)/(M-49954)/PFO/02/07/2024 & G/DD/Com-CA(109)/(M-14115)/PFO/05/07/2024 dated 11.07.2024 were issued both to the complainant and the respondent requiring their presence under Rule 18(6) of the Cost and Works Accountants (Procedure of Investigation of Professional and Other Misconduct and Conduct of Cases) Rules, 2007 for making oral submissions. The complainant has been called between 12.45 PM to 1.00 PM and the respondent has been called between 1.15 PM to 1.30 PM for making oral submissions.
- (ii) The complainant, by an email dated 16<sup>th</sup> July 2024 received by the Directorate at or about 10.49 AM confirmed his attendance via virtual mode for the hearing scheduled on 19<sup>th</sup> July 2024. The complainant attended the hearing through the virtual mode at the scheduled date and time and made the following submissions:





- That he is a member in practice and he has come across certain violations committed by the respondent while responding to an e-Expression Notice (CIL/GM(F)/2019-20/Cost Auditor/01 dated 14.08.2019) for empanelment and selection for appointment of cost auditor of Coal India Ltd (CIL) for financial year 2019-20, 2020-21 & 2021-22.
- That the respondent had applied for the tender in the name and style “R.K. Patel & Co.” However, records with the Institute indicate that the respondent has registered his firm with the Institute with Trade Name ‘R K Patel’, Proprietor (FRN-100180) with effect from 18.04.1996. However, he has been using Trade name ‘R K Patel & Co., Proprietor FRN (100180) which is not the name of the firm that has been registered with the Institute.
- While applying for the above mentioned tender of Coal India Ltd, the respondent had submitted a list of 11 (eleven) persons with the heading “List of Cost Accountants ICMAI of the firm” to indicate that eleven practitioners are associated in the firm. Many of the names provided by the respondent to CIL are fake and have no business association with M/s R.K. Patel.
- While providing details about his experience and cost audit work undertaken by him, he has supplied the data of Indian Rare Earth Ltd. (IREL) where he was appointed as cost auditors for FY 2018-19, 2019-20 and 2020-21. the Cost Audit report is highly confidential and it is not even being shared with the shareholders also. The respondent by sharing the confidential data with CIL regarding cost audit report of IREL had violated clause (1) of Part I of the Second Schedule to the Cost and Works Accountants Act, 1959.
- The respondent had also committed several violations which are mentioned in the complaint dated 15<sup>th</sup> June 2022 and rejoinder dated 29<sup>th</sup> October 2022 of the complainant, which are on record.

The Committee took on record the submissions made by the complainant.

- (iii) The respondent, however, did not appear for the hearing and by an email dated 16<sup>th</sup> July 2024 stated that he was out of India and will return during last week of July 2024. The Committee decided to afford one more opportunity to the respondent, as natural justice and directed Director (Discipline) to call the respondent in the next





meeting of the Committee for making oral submissions, if any, in terms of sub-rule (6) Rule 18 of the Rules.

**b) Proceeding of 87<sup>th</sup> Meeting of Disciplinary committee held on 3<sup>rd</sup> September, 2024**

(i) In accordance with such directions of the Committee, respondent was called for making oral submissions, if any, under Rule 18(6) of the Cost and Works Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007 Rules.

(ii) On behalf of the respondent, Shri Rahul S Malhotra, Advocate, appeared through virtual mode. The Committee read out the charges as required under Rule 18(7) of the Rules together with the summary of the prima facie opinion. The respondent did not plead guilty and submitted his submission *inter alia* as follows:-

- a) Complainant has no locus standi for making the present complaint. The complainant was neither the bidder nor a member of Institute as on last date of CIL tender submission. In fact, the complainant became member of the Institute after nearly 2 -3 years.
- b) The said complaint is based on stolen evidence and complainant is not in position to prove his locus standi as well as source through which he has got the documents.
- c) The complainant has given fraudulent declaration that he is one of the persons who has bid in the said tender. The complainant was neither a bidder in his individual capacity nor he was a partner in any firm who has bid for the tender.
- d) The alleged evidence produced by the complainant are tampered and without any certificate from owner of tender documents viz. Coal India Ltd. In fact, he has stolen the documents from Coal India office and made this frivolous complaint to tarnish our image.
- e) The tender application of the firm of the Respondent for appointment as the Cost Auditor of CIL was not considered at all and the bid was rejected at the technical stage itself and no contract was resulted thereof.
- f) It is a matter of fact that the Cost Accountants/Chartered Accountants work on retainership 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 its 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.

- g) In view of the foregoing facts and circumstances, the complaint of the Complainant is liable to be dismissed/rejected being misconceived and misconstrued. The prima-facie opinion is liable to be disregarded.
- (iii) The Committee took note of the oral submissions made by the respondent. The Committee directed Director (Discipline) to issue notice to both the complainant and respondent for examination of witness and production of documents in terms of Rule 18(9) of the of the Cost and Works Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007.

#### **19. Proceeding under rule 18(9) of The Rule, 2007**

##### **a) Proceeding of 88<sup>th</sup> Meeting of Disciplinary committee held on 27<sup>th</sup> September, 2024**

- (i) In accordance with such directions of the Committee, letters dated 17<sup>th</sup> September, 2024 were sent via mail to the complainant as well as to the respondent requiring their presence under Rule 18 (9) of the Cost and Works Accountants (Procedure of Investigation of Professional and Other Misconduct and Conduct of Cases) Rules 2007 for examination of witness and production of documents on 27<sup>th</sup> September before 88<sup>th</sup> Meetings of Disciplinary committee.
- (ii) Complainant appeared through VC at scheduled time and reiterated his submissions. However, he didn't produce any additional evidence or witness in the matter. He said that he has already submitted all sufficient evidences to prove the case.
- (iii) The respondent appeared in person, accompanied by his Adv. Rahul S Malhotra, and submitted an application on behalf of the respondent under rule 18 (13) & 18(14) of the Cost and Works Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007 to produce evidence and examination of witness.
- (iv) The Committee took note of the same and directed Director (Discipline) to issue notice to the respondent for production of his evidence and examination of witness in terms of Rule 18(13) & 18 (14) of the of the Cost and Works Accountants





(Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007.

**20. Proceeding under rule 18(13)& 18(14) of The Rule, 2007**

**a) Proceeding of 89<sup>th</sup> Meeting of Disciplinary committee held on 24<sup>th</sup> October, 2024**

- (i) In accordance with such directions of the Committee, letter was sent via mail to the respondent for production of his evidence and examination of witness in terms of Rule 18(13) & 18 (14) of the of the Cost and Works Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007.
- (ii) Director (Discipline) placed on table an email sent by respondent on 18<sup>th</sup> October, 2024 requesting Disciplinary Committee to keep the meeting after Diwali, preferably in the second or third week of November.
- (iii) The Committee took note of the same and decided to provide one more opportunity to the respondent to produce his evidence and examination of witness in terms of Rule 18(13) & 18 (14) of the of the Cost and Works Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007.

**b) Proceeding of 90<sup>th</sup> Meeting of Disciplinary committee held on 19<sup>th</sup> November, 2024**

- (i) In accordance with such directions of the Committee, letter was sent via mail to the respondent to produce his evidence and examination of witness before the Committee on 19<sup>th</sup> November, 2024, in terms of Rule 18(13) & 18 (14) of the of the Cost and Works Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007
- (ii) On behalf of the respondent, Adv. Rahul S Malhotra appeared and submitted an application in the form of an affidavit on behalf of the respondent under rule 18 (13) & 18(14) of the Cost and Works Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007 to produce evidence and examination of witness- authorised person from Membership Directorate of the Institute to produce the records of the membership of the respondent with the Institute.





(iii) The Committee took note of the same and decided to provide opportunity to the respondent to produce his evidence and examination of witness -authorised person from Membership Directorate of the Institute, in terms of Rule 18(13) & 18 (14) of the of the Cost and Works Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007.

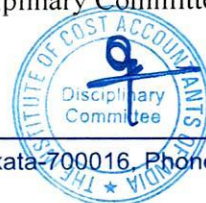
**c) Proceeding of 91<sup>st</sup> Meeting of Disciplinary committee held on 28<sup>th</sup> January, 2025**

- (i) In accordance with such directions of the Committee, letter dated 14<sup>th</sup> January was sent via mail to the respondent for production of his evidence and examination of witness in terms of Rule 18(13) & 18 (14) of the Cost and Works Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007.
- (ii) On behalf of the respondent, Adv. Rahul S Malhotra appeared in person and respondent appeared through VC. The Director (Membership) appeared in person. CMA Anuj Kumar appeared in person and CMA Bhavin R Patel appeared through VC before the committee as the witness of the Respondent.
- (iii) CMA Anuj Kumar presented an affidavit duly verified by the Notary. He submitted that he is associated with practicing cost accountant, the Respondent, on case to case basis and he is also the branch in-charge of the Delhi office of the firm of the Respondent.
- (iv) CMA Bhavin R Patel presented an affidavit duly verified by the Notary. He said that he is associated with practicing Cost Accountant, the Respondent, on case to case basis as allowed by ICMAI under clause not preventing or prohibiting any cost accountant from applying or requesting for or inviting or securing professional work from another cost accountant in practice.
- (v) In the matter of correct name of the Firm of the respondent, Committee asked Director (Membership) to produce the records of the membership of the respondent with the Institute. Director (Membership) placed on table an email dated 29<sup>th</sup> April, 2020 sent by the membership department informing the respondent to correct the firm name in Form 5 as the name mentioned was **R K Patel & Co** and the correct name of the firm is **R K Patel**. The respondent vide mail dated 30<sup>th</sup> April, 2020 rectified the mistake and resent the form F 5.





- (vi) From the records, it is quite clear that the approved name of the Firm (FRN100180) is R K Patel. Director (Membership) informed that there is no firm registered with the Institute in the name of R K Patel & Co.
- (vii) Further, Adv. Rahul Malhotra requested the Hon'ble Committee to provide complete records of his membership and allow him to cross examine the Complainant in the matter.
- (viii) Committee took note of the same and directed Director (Discipline) to seek complete membership records of the respondent from the membership department of the Institute and provide the same to the respondent. Further, Committee directed Director (Discipline) to call complainant in the forthcoming meeting for the purpose of his cross examination by the respondent in the matter.
- d) **Proceeding of 92<sup>nd</sup> Meeting of Disciplinary committee held on 25<sup>th</sup> February, 2025**  
Committee discussed the case and directed Director (Discipline) to call complainant in the forthcoming meeting for the purpose of his cross examination by the respondent in the matter.
- e) **Proceeding of 93<sup>rd</sup> Meeting of Disciplinary committee held on 19<sup>th</sup> March, 2025**
- (i) In accordance with the directions of the Committee, membership records of the respondent have been received from the membership department of the Institute and the same is being placed before the Committee.
- (ii) Further, communication dated 12<sup>th</sup> March, 2025 were sent via mail to both the complainant and respondent for the purpose of cross examination of complainant by the respondent in terms of Rule 18 (14) of the Cost and Works Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007.
- (iii) Respondent vide their mail dated 13<sup>th</sup> March, 2025 requested to postpone the hearing as his advocate is not available on the scheduled date.
- (iv) As per the explanation clause of Rule 18 of the Cost and Works Accountants (Procedure of Investigation of Professional and Other Misconduct and Conduct of Cases) Rules, 2007, the unavailability of the complainant, advocate, or authorized representative shall not be considered a valid ground for adjournment. However, for the sake of natural justice, the Disciplinary Committee decided to provide final





opportunity to the respondent for the purpose of cross examination of complainant by respondent before the committee.

(v) Further, membership records of the respondent as received from the membership department of the institute, have been sent to the respondent vide letter dated 26<sup>th</sup> March, 2025

**f) Proceeding of 94<sup>th</sup> Meeting of Disciplinary committee held on 28<sup>th</sup> April , 2025**

(i) Membership records of the respondent as received from Membership department of the Institute has been served to respondent vide letter dated 26<sup>th</sup> March, 2025.

(ii) Further, Notice dated 17<sup>th</sup> April, 2025 were served to both complainant and respondent for the purpose of cross examination of complainant/witness by the respondent in terms of Rule 18 (14) of the Cost and Works Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007.

(iii) On the schedule date of hearing, both Respondent and complainant appeared through VC. Authorised Advocate Shri Rahul Malhotra on behalf of Respondent appeared in person before Hon'ble Committee

(iv) Ld Advocate of Respondent conducted cross examined the witness/complainant, posing 39 questions. Queries raised by respondent and reply of witness/complainant is tabulated below;

S.No.	Question made by Representative Advocate of Respondent	Answers of complainant/witness
1	Mr. Pathak can you state the date on which, you enroll as Cost Accountants	March, 2021
2	Can you tell the date of tender mentioned in the complaint	14 <sup>th</sup> August 2019
3	Were you one of the bidders?	Yes, Diwanji & Co. was the bidder and I was working with them since June,2017
4	In what capacity were you working with Diwanji & Co. since you were not a Cost Accountant at that time	I initial worked as a junior executive, then as senior executive and now as a partner.
5	Before becoming Cost Accountant, in what capacity you were working with Diwanji	I was an Article Assistant there as we have to do article ship to become cost Accountant





	& Co.?	
6	Please tell the period of your articleship.	From 26.06.2017 to 22.03.2019 and then after, I continued as employee with Diwanji & Co.
Authorized representative Advocate of Respondent requested for typing of queries and reply of witness. It was apprised to Ld Advocate that the proceedings are recorded and the same will be typed and shared with both the parties for verification and signature. It was agreed that assistant of Authorized representative Advocate of Respondent will write all the queries and reply of witness for record.		
7	From march 2019 to march 2021, what were you doing in Diwanji & Co.?	I was working with as employee as junior executive and then as a senior executive
8	Can you produce your employment record from June 2017 to March 2021?	Yes, I can.
9	What is the source of documents referred in instant complaint?	Every bidder has right to access the documents.
10	Because Diwanji & Co. has participated as one of the bidder, that is why you have the access to these documents. Is it correct?	Yes, correct
11	This means you don't have the personal access to those documents?	No, Diwanji & Co. accessed that.
12	Do you know the date of constitution of Diwanji & Co.?	March 2012
13	Is Diwanji & CO. a partnership firm?	Yes
14	Can you tell me the name of Head or Managing partner of Diwanji & Co.?	Head or Managing partner was changed time to time.
15	Who was the Head or Managing partner of Diwanji & Co in 2017, 2017 and today.	Mihar Vyas and Mrs Amruta Vyas
16	Please provide the year wise detail (F/y 2012, 2017, 2021 and today)	Refused to answer as question is not relevant.
17	Is it correct that, before Diwanji & Co.; Diwanji & Dalwadi & Associates firm was in existence?	I don't know
18	Do you know R.K. Patel & Co. didn't get the work order as they were not the successful	They were successful bidder, however, they did not get the work order,



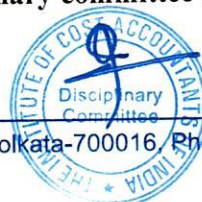




31	You had tender documents since August, 2019 as you were the manager there as you accepted earlier	I haven't access the documents that time.
32	When did you access the documents?	I don't remember.
33	Have you filled the complaint of tender regarding showing as employee or on rolls against any other bidder or it is just against R.K. Patel & Co.?	The complaint is only against R.K. Patel & Co. as I haven't access any other bidder's documents. I have come to know that R.K. Patel & Co. did something wrong, thus I file compliant against them.
34	Similarly, Bhargav Nagar was also not employee of Diwanji & Co. nor in on rolls, then why did you not file complaint against Diwanji & Co.?	Sir, R.K. Patel & Co. mentioned Cost Accountants there and Cost Accountants means they are in employment.
35	Kindly provide the two documents specially all the tender documents of Diwanji & Co and employment records from June 2017 to March 2021	Sir, complete bid documents cannot be provided as the same has various information.
36	Bid documents is public documents, why you are resisting to provide the same.	The bid document is not a public document. Only bidder has right to access
37	Okay, but right to access these documents is available to bidder and what is the relevance of secrecy in 2025 of document pertain to 2019	Sir, R.K. Patel & Co is bidder, they can access the documents, if you have any specific requirement, please intimate, I am not been able to provide entire documents
38	I am requesting to provide entire documents else whatever you understand provide the same.	This is not public documents, only bidder can access the same. Respondent has attached the same and part of record in their defense reply filed on August, 2024
39	Can you produce your employment record from June 2017 to March 2021	Yes, I will provide.

(v) Ld Advocate of Respondent has requested to witness/complainant to provide the employment record from June 2017 to March 2021 of complainant. Hon'ble Committee also directed to witness/complainant to take note and provide the requested employment records as earliest.

g) **Proceeding of 95<sup>th</sup> Meeting of Disciplinary committee held on 16<sup>th</sup> June, 2025**





- (i) During the previous hearing, the Ld Advocate for the Respondent had requested the Complainant/Witness to produce his employment records for the period from June 2017 to March 2021. Hon'ble Committee had accordingly directed the Complainant/Witness to provide the said documents at the earliest.
- (ii) It was further informed that Notice dated 21<sup>st</sup> May 2025 was issued to the Complainant/Witness in compliance with the above direction. In response, the Complainant, vide email dated 26<sup>th</sup> May 2025, stated that he was submitting the relevant employment records in a sealed envelope addressed exclusively to the Presiding Officer through the Directorate of Disciplinary Affairs. The Complainant also requested that the contents of the sealed envelope be treated with confidentiality and not disclosed to any party other than the Committee or its authorised personnel.
- (iii) Hon'ble Committee perused e-mail dated 26<sup>th</sup> May 2025 and the accompanying undated three-page document received by courier. The Committee noted that the documents included a copy of the ICMAI Articleship Form (T-1) and an Experience Certificate dated 31st March 2021 issued by M/s. Diwanji & Co. It was observed that the details of the Complainant's articleship were already on record and the Committee held that there was no confidentiality involved in these documents. Accordingly, the Committee directed that copies of the said documents be served to Respondent.
- (iv) The Committee further decided to issue Notices to both parties for the purpose of concluding arguments under Rule 18(16) of the Rules, 2007, and the matter was accordingly listed for final arguments.
- i) In accordance with such directions of the Committee, documents received from complainant/witness has been served to Respondent vide communication dated 20<sup>th</sup> June 2025. Further, a Notice dated 20<sup>th</sup> June 2025 was issued to both parties, directing them to submit their respective concluding submissions under Rule 18(16) of the Rules, 2007, within seven (07) days of receipt of the said Notice
- j) In response to the Notice issued under Rule 18(16) of the Rules, 2007, the Complainant, vide email dated 28th June 2025, submitted a request to the Hon'ble Committee to





decide the matter based on the material available on record. For the sake of convenience, an extract of the said email is reproduced herein below:

Quote

Respected Sir,

With reference to your letter Ref.No.: G/DD/Com-CA(109)/(M-49954)/DD/2025/06/15 dated 20.06.2025, I wish to state the following as my concluding submission in the above matter:

It has been over three years since this complaint was filed. I have cooperated fully and submitted all relevant information and documents as required. At this stage, I leave it to the wisdom of the Hon'ble Disciplinary Committee to take whatever decision it deems fit, fair, and just in the circumstances.

I have full faith in the institution and only seek justice

Unquote

- k) In response to the Notice issued under Rule 18(16) of the Rules, 2007, the Respondent, vide email dated 30th June 2025, submitted his concluding written arguments dated 24<sup>th</sup> June 2025, comprising a total of 115 pages. For the sake of convenience, an extract of the said email is reproduced hereinbelow:

Dear sir

Our detailed reply is attached.

Also please note that :

- a. Video recording has not been given access despite requests. We are not in a position to verify the typed cross examination with the actual answers as it transpired. Furthermore, cross examination was not concluded. It was only deferred for production of documents by the witness. Witness was supposed to be subject to further cross examination.
  - b. From perusal of the email, I understand that the complainant does not want to cross examine the respondent. Thus, the deposition of the respondent stands admitted.
  - c. I am hereby attaching herewith the written arguments in terms of your email, which otherwise is not the stage of the case. However, the matter cannot be closed before a hearing/ arguments in terms of the Rule 18(16) of the Rules.
- l) The contentions of the Respondent vide mail dated 30<sup>th</sup> June 2025 that access to the video recording has not been provided is misconceived and untenable. It is placed on record that access to the said video recording was duly provided to both the Respondent and the witness vide email dated 6<sup>th</sup> May, 2025, addressed to their respective registered email IDs. It is further observed that the Respondent has been repeatedly requesting access through multiple and/or alternate email addresses other than his registered email ID, which was rightly denied in accordance with procedural norms. Moreover, during the course of the cross-examination proceedings, it was explicitly clarified and recorded





that the Advocate's assistant of the Respondent would note down all questions and responses for the Respondent's own record. Notwithstanding the above, in the event the Respondent continues to face any difficulty in accessing or reviewing the said video extract, the liberty was granted to him to view the same at the office of the undersigned on any working day, with prior intimation. For ready reference, the relevant extract of the communication sent to the Respondent vide email dated 1<sup>st</sup> July, 2025, is reproduced hereinbelow:

Quote

Ref.No.:G/DD/ComCA(109)/(M14115)/2025/06/17      Date: 01.07.2025

Dear Sir,

a) With reference to the trailing email, it is respectfully submitted that access to the extract of the video was duly provided to you vide email dated 6th May 2025 on your registered email ID: [rajupatel18@hotmail.com](mailto:rajupatel18@hotmail.com). It is further submitted that no observations or objections were received from your end in this regard until 25th June 2025.

b) It is noted that subsequent to the issuance of the Notice dated 20<sup>th</sup> June 2025, this office received a request vide your email dated 25th June 2025, seeking access to the said video extract through an alternate email ID: [bhavinbrd3388@gmail.com](mailto:bhavinbrd3388@gmail.com). In this context, it is informed that, as per established procedure, access to proceedings can be granted only to the complainant and respondent through their respective registered email IDs, in the interest of maintaining confidentiality and integrity of the proceedings.

c) With regard to your contention that you are unable to verify the typed version of the cross-examination against the actual verbal responses, it is pertinent to recall that during the proceedings, it was held that your Advocate's assistant would note down all questions and responses for your record. In case, you continue to face any difficulty in accessing or reviewing the video extract, you are at liberty to view the same at the office of the undersigned on any working day, with prior intimation.

d) Your written submission dated 24/30th June 2025 has been taken on record and will be produced before the Disciplinary Committee for consideration.

Unquote

- m) Further Notice dated 9<sup>th</sup> July, 2025 is issued to both the parties to intimate that their case is listed for concluding arguments for under rule 18(6) of the Rule, 2007 on 16<sup>th</sup> July, 2025.
- n) Reply of respondent dated 30<sup>th</sup> June, 2025 received through mail on 30<sup>th</sup> June 2025 followed by physical copy received on 04<sup>th</sup> July 2025 in response to our mail dated 24<sup>th</sup> June 2025, which is reproduced herebelow:

Quote:





REPLY TO DIRECTOR DISCIPLINE FOR MAIL DATED 24.06.2025

Complaint No. Com/21-CA(109)/2022- CMA Anuj Rameshchandra Pathak (M/49954) [Complainant] Vs. CMA Rajubhai Kantilal Patel (M/14115) [Respondent]

Enclosures :

Annexure No	Annexure Description	Page No.
1	Submission of Respondent for Director Discipline mail dated 24.06.2025	1-18
2	FORM L duly approved by council and Certificate of practice issued dated 18.04.1996	19-20
3	Renewal of Certificate of Practice by ICMAI approved by ICMAI & Work orders issued by MCA based on information provided by ICMAI TO MCA	21-44
4	Abstracts from ICMAI COP booklet AS ON 15 <sup>th</sup> April 2016,2017,2018,2019,2020	45-65
5	ICMAI website Abstracts where separate firm names are issued to single proprietor cost accountants	66-80
6	ICMAI website Abstracts where same firm names with different firm registration number are issued to single proprietor cost accountants	81-97
7	RTI reply duly explaining meaning of word Associate for tender issued by Coal India Ltd and their subsidiaries	98-106
8	ICMAI circular dated 27.02.2025	107-110
9*	Cross examination sheet provided by Director Discipline for date of hearing on 28.04.2025	111-115

From  
 CMA R K PATEL  
 M-14115

Referring to PRIMA facie opinion formed by Director Discipline in mentioned case number Complaint No. Com/21-CA(109)/2022, point-wise written arguments as per below:

**Findings Point no 15 of Prima Facie Opinion and reply by respondent is as per below**

(1) On a careful perusal of the complainant dated 15<sup>th</sup> June 2022 of the complainant, the undated written statement of the respondent and the rejoinder dated 29<sup>th</sup> October 2022 and various documents on record, it is evident that he respondent, by his own admission, had stated in response to the letter dated 18th May 2023 of the Director (Discipline) that till this complaint neither the Institute nor any other authorities have ever objected to the use of name & style RK Patel & Co. by me. He further states that he had always carried out the profession of Cost Accountant under the style & name R K Patel & Co. It may be mentioned that a wrong doing cannot be allowed to be continued just because there was no objection from anybody.

Submission:





# ICMAI

## THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

भारतीय लागत लेखाकार संस्थान

Statutory Body under an Act of Parliament  
(Under the jurisdiction of Ministry of Corporate Affairs)



**Headquarters:**  
CMA Bhawan, 3 Institutional Area,  
Lodhi Road, New Delhi-110003

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

**Website** : www.icmai.in

- On cross examination of complainant it was replied by him that he was not having form L filed by respondent at the time of filing the complaint and even at current date.
- Point No 2 of cross examination is reproduced below

19	Do you have the registration & COP documents of R.K Patel & Co. before filing the complaint and now?	No
20	In 1996, when R.K. Patel & Co. got registration, have you seen their Form L?	No

- Director Discipline under his seal and sign has provided copy duly received from membership Deptt and provided copy of form L filed by RK PATEL at the time of application of Certificate of Practise and he has clearly mentioned name of the firm/Trade name as R K PATEL & CO in form L duly filled dated 24.03.1996 and the same was approved by Council and Certificate of practice was granted on 18.04.1996.
- There was no objection raised by Membership deptt /Secretary and Secretary has approved the Certificate of practice along with form L which is mandatory criteria.
- Also the respondent has always practiced in name and style of R K PATEL & CO which is duly approved by council along with form L filed by respondent and approval dated 18.04.1996
- Also at the time of forming prima facie opinion when Director discipline sought data from Membership deptt they intentionally not provided the fact to Director discipline and provided wrong reply which is reproduced below

Sl	Information sought	Reply
1	Is there a firm registered with the Institute in the name of M/s R K Patel & Company Cost Accountants?	No.
2	If so, please provide the Firm Registration Number (FRN) of M/s. R k Patel & Company?	Not applicable
3	If your answer to Para (1) above is negative, please provide the name of the firm belonging to CMA R.K. Patel, having membership number 14115.	M/s. R.K Patel
4	Please provide the name of the firm having Firm Registration Number (FRN) 100180	M/s. R.K Patel
5	When was the firm mentioned in Para (4) above registered with the Institute? In which name was the same registered?	18/04/1996
6	If the firm mentioned in Para (4) above is a Proprietary firm, please provide the name of the Proprietor.	Shri Rajubhai Kantilal Patel
7	Is the Proprietor mentioned in Para (6) above a Partner in any Partnership firm?	As on date, not a partner in any Partnership firm





8	If so, please provide the name of such firm and the Firm Registration Number (FRN)	Not applicable
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- From above it is clear that Membership Deptt has intentionally provided factually half Information without checking their records and form L duly approved by Council and provided COP dated 18.04.1996. (Refer Point no 1 to 5 above). The membership department seems to have intentionally not replied "in which name was the same registered?"
- Also Membership deptt at relevant time in 1996 and thereafter has shared this data with MCA and MCA has given many appointments to RK PATEL & CO as Cost auditor for many reputed companies. (attached as Annexure 1 & 2)
- Also Membership Deptt has changed/updated website records (with wrong Intentions/under influence) and wrongly entered firm name for membership number 14115 as R K PATEL instead of R K PATEL & CO on ICMAI website.
- Also respondent has provided data of Past President whose membership records ICMAI yearly booklet and ICMAI website is mismatching. (Refer Annexure-3 to COP BOOKLET 2020 issued by ICMAI)

Firm Registration Number: 102242

Sr NO	Firm Registration Number	Membership Number	ICMAI cop Book year as on	Name of firm as per Book let	Actual name of the firm as per ICMAI website against firm Registration Number
1	102242	12867	1 <sup>st</sup> April 2016	Thakur & Co.	Manas Kr Thakur
2	102242	12867	1 <sup>st</sup> April 207	Thakur & Co.	Manas Kr Thakur
3	102242	12867	1 <sup>st</sup> April 2018	No Name	Manas Kr Thakur
4	102242	12867	1 <sup>st</sup> April 2019	No Name	Manas Kr Thakur
5	102242	12867	1 <sup>st</sup> April 2020	Manas Kr Thakur, Thakur & Co.	Manas Kr Thakur

Firm Registration Number: 100180

Sr NO	Firm Registration Number	Members hip Number	ICMAI cop Book year as on	Name of firm as per Book let	Actual name of the firm as per ICMAI website against firm Registration Number
1	100180	14115	1 <sup>st</sup> April 2016	No Name	R K Patel & Co.
2	100180	14115	1 <sup>st</sup> April 207	No Name	R K Patel & Co.





3	100180	14115	1 <sup>st</sup> April 2018	No Name	R K Patel & Co.
4	100180	14115	1 <sup>st</sup> April 2019	No Name	R K Patel & Co.
5	100180	14115	1 <sup>st</sup> April 2020	R K Patel, R K PATEL & Co.	R K Patel & Co.

- Also respondent has provided copy of ICMAI website records of more than 20 cost accountants who are in proprietor practice and ICMAI has approved two separate firm names and ICMAI has renewed their Yearly certificate of practice for both firms.

As per Institute website Membership No. 17312. COP renewed upto 31.03.2025  
 1<sup>st</sup> Proprietary firm:

Sr No	Description	Details
1	Firm Name	Basawaraj Aneppa Gudda & Co.
2	Constitution date	27/04/2022
3	Firm Registration number	005527
4	Firm type	Proprietary

2<sup>nd</sup> Proprietary firm:

Sr No	Description	Details
1	Firm Name	Basawaraj Gudda
2	Constitution date	18/01/2016
3	Firm Registration number	104330
4	Firm type	Proprietary

As per Institute website Membership No. 17126. COP renewed upto 31.03.2024  
 1<sup>st</sup> Proprietary firm:

Sr No	Description	Details
1	Firm Name	S C Inani & Associates
2	Constitution date	22/08/2023
3	Firm Registration number	006259
4	Firm type	Proprietary

2<sup>nd</sup> Proprietary firm:

Sr No	Description	Details
1	Firm Name	S C Inani & Associates
2	Constitution date	12/11/2012
3	Firm Registration number	101916
4	Firm type	Proprietary

And many such case like this is annexed as per ICMA website.

- Question here is raised how can a single Proprietor cost accountant person has 2 firm names and how can a single proprietor cost accountant has two same firm name with separate firm registration number (Refer Annexure-4 & 5 for other such instances)
- Taking this benefit of this loophole and under guidance of partners of Diwanji & Co, the complainant has filed this complaint with a clear intention to tarnish image of





respondent who long time CMA practitioner and other ulterior business motives/intentions/rivalry.

- Also the respondent is a reputed cost accountant having large client base of reputed organizations and due to such incorrect information on ICMAI website, he is being victimized and by which his image is tarnished in public.
- I request ICMAI to update their records which are factually correct and approved by Council and update their website with correct firm name as R K PATEL & CO against firm registration number 100180.

Point no 2

- 2) **The respondent had given factually incorrect information to the Institute in the Form M-3 Le. the prescribed form for renewal of Certificate of Practice stating the name of his proprietary firm as "R.K. Patel & Co. knowing fully well that the name of his firm is RK Patel. This is a gross violation as he has mislead the institute.**

Submission:

- Form M-3 was filled in line with form L duly approved by council with firm name as R K PATEL & CO as per Annexure-182.
- The question arises how respondent can mislead institute for the name which is approved by institute itself.

Point no 3

- 3) **The respondent had undertaken cost audits of various reputed companies including the likes of Gujarat State Patronet Ltd, Indian Rare Earths Ltd, Gujarat Urja Vikas Nigam Ltd, Gujarat Energy, Transmission Corporation Ltd, Gujarat Narmada Valley Fertilizers & Chemicals Ltd over the years in the name of M/s R.K. Patel & Co. thereby misleading the company and misrepresenting his name of the firm. As evident from the annexure annexed by the complainant, the complainant had undertaken cost audits of several reputed companies in the name and style of a firm which does not exist in Institute records.**

Submission:

- Respondent has undertaken cost audits with firm name approved by council agasint form L filed by respondent at the time of application of COP and also yearly renewal and declaration of firm name and renewal of COP thereof. Further the MCA has also approved CRA-2 and CRA-4 without any objections till date.
- The question here arises how can ICMAI form an opinion without checking their own records in which they have given approval of firm name R K PATEL & CO and renewal with same firm name for more than 20 years.

Point no 4

- 4) **In this connection, the Disciplinary Directorate was in receipt of an email dated 10th May 2023 from the Senior Manager (Finance) of Gujarat Narmada Vallay Fertilizers & Chemicals Lid which is reproduced below**

"Dear Sir,

We have appointed Mis. RK. Patel & Company Cost Accountant Vadodara (Firm Registration No 100180) as Cost Auditor of the Company for FY 2022-23 at a remuneration of 1,00,000/- per Annum plus out of pocket expenese and statutory levies for carrying out the cost audit work of the Company In this regard following action has already been taken by the company

a) Form CRA 2 has been submitted on 14th June 2022 as firm Name M/s. RK. Patal &





Company. Firm type "Proprietary", (Attached)

b) Resolution of Ratification of remuneration payable to Cost Auditors of the Company for the Financial Year 2022-23 has also been passed in Annual General Meeting of FY 2021-22. (Attached)

It is to be noted that Appointment was done on the basis of documents submitted by Mr. R K Patel proprietor of the firm M/s. R K Patel & Company (Attached).

Now someone from general public has raised a query that on the website of Institute of Cost Accountant of India there is no firm registered in the name M/s. RK Patel & Company Cost Accountant Vadodara (Firm Registration No 100180) actually Firm name registered on the institute website is "R

K Patel (Firm Registration No 100180). (Details of Institute records attached)

Kindly guide us on:

1. Does any corrective action is required by Company.
2. Appointment of Cost Auditor in name of M/s. R K Patel & Company will be considered at Valid
3. Appointment. 3. Do we need to passed Board Resolution again with name of M/s. RK Patel
4. Do we need to submit Form CRA 2 again with revised name.
5. Do we need to ratify the resolution with name "M/s. RK Patel" in the para of Ratification of remuneration payable to Cost Auditor for FY 2022-23 in the Annual Report of FY 23-24.

With regards,

For Gujarat Narmada Valley Fertilizers & Chemicals Ltd."

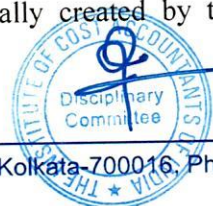
It is thus clear that Gujarat Narmada Valley Fertilizers & Chemicals Ltd is now faced with the problem of taking corrective action as they have shown the wrong name of the firm in CRA-2. This is a clear case of misrepresentation and falsification.

**SUBMISSION:**

- On cross examination with complainant he has informed that he has not filed any complaint with GNFC Ltd. (Sr No 26 of Cross examination note)

26	Have you complained to GNFC Ltd regarding R.K. Patel & Co. for the same allegations of your complaint?	No we haven't.
----	--	----------------

- Also GNFC has till date not received any objection/notice from MCA regarding wrong firm name in CRA-2 and CRA-4.
- The question here arises how this point become part of this complaint reference Complaint No. Com/21-CA(109)/2022 when complainant has not made such complaint and it was also not part of original complaint as well addendum thereof.
- The question here arises whether Director Discipline has made hypothetical imagination and added this point under influence of some central council whose FIRM happens to be immediate previous auditor of GNFC Ltd and R K PATEL & CO was appointment as cost auditor through tendering process. This means this aspect has been intentionally created by the Director Discipline at the





instance of Disciplinary Committee under Chairmanship of the President of the Institute at relevant time.

Point no 5

- 5) **The respondent had shown the names of 11 people in the rolls of the firm while the fact is that only a few of them are attached with the respondent's firm and that too on a "case to case basis".**

**SUBMISSION:**

On cross examination of complainant he himself accepted that they have also shown Mr Bhargav Nagar practicing cost accountant in the same tender for which complainant has participated and Mr Bhargav Nagar was involved with the firm DIWANI & CO on case to case basis.

21	Was Mr. Bhargav Nagar an employee of Diwanji & Co. in August 2019?	No
22	Is it correct that while applying for the tender. Bhargav nagar was shown as employee of Diwanji & Co.?	No
23	Then how Bhargav Nagar represented to Diwanji & Co.?	Bhargav Nagar was working in Diwanji & Co. as a consultant, providing services on case to case basis and payment were made to him after deducting the TDS by Diwanji & Co.

Also on cross examination, the complainant informed that RK PATEL & CO has not used the word employees for list of cost accountants shown in tender

25	Is this correct that When R.K. Patel filled out the tender, they use the term "employee" in the column for the list of persons?	I have to verify. They have use the word list of Cost Accountants in the firm
27	So, the word employee or on rolls were not used	Correct, the term Cost Accountants was used instead
28	Correct, the term Cost Accountants was used instead	No, they used the word qualified Assistant.

Hence it is evident from above that whole prosecution proceedings done by Director discipline (at relevant time) for cost accountants shown by RK PATEL & CO is fake fraudulent and with malafide intention as RK PATEL & CO has never used word employees/employment for list of cost accountants shown in tender documents.

Also the letter written by Director Discipline to various cost accountants used the term employment with RK PATEL & CO as reproduced below

**Sub:- Your employment with M/s R.K. Patel & Co. (FRN 100180) - Clarification**

**Regds**

Here director discipline has intentionally not applied his mind that in whole tender document has never called for cost accountants in employment but calls for cost accountants associated with the firm.

If such was the case, for similar complaint in which the complaint is partner viz M/s Diwanji & Co was filed by respondent RK PATEL vide complaint no COM/21-CA(116)/2022 in which Director discipline has formed prima facie opinion of NOT





GUILTY for showing Mr Bhargav Nagar who is a practicing cost accountant shown as employee of Diwanji & Co. This clearly amounts malafide intentions of the Director Discipline and/or the Disciplinary Committee or the person under whose guidance/instruction the Director Discipline acted.

Also on cross examination of complainant he himself has informed that no work order was issued against the tender to R K PATEL & CO and thereby he himself proved no harm has been done to Coal India Ltd. (Point no 18 of Cross examination sheet)

18	Do you know RK. Patel & Co. didn't get the work order, as they were not the successful bidder	They were successful bidder, however, they did get the work order
----	---	---

Also vide reply from Coal India Ltd bearing reference No. CILTD/R/E25/00118 to RTI filed by CMA Vishal Shah (whom complainant has accused to be employee of R K PATEL & CO), they have informed that Dictionary meaning of word "associate" is to be referred which in no case means employment/employee.

Reply from coal India Ltd (full RTI copy with reference number is attached as Annexure 6) **Point No. 2: Whether the above clause means that the fully qualified assistant should be in employment with the firm for a minimum period of one year as on 31.03.20227 yes or no**

Reply:

The following clauses of the tender document no. CIL/GM (F)/2022-23/Cost Auditor/03 dated 28.07.2022 may be referred

- Note below the table in Sl. No. 3 Selection Criteria: Part A of the tender document no. CIL/GM (F)/2022-23/Cost Auditor/03 dated 28.07.2022 which is reproduced below:-  
 "Note: Partner/fully qualified/semi qualified assistant in the firm should be associated with the current firm for o minimum period of one year as on 31.03.2022.

The meaning of the word "Associated" may be referred from standard dictionary.

Also ICMAI has recently issued a circular dated 27th February, 2025 (Refer annexure 8)"Guidelines for Members on Use of Firm Name and submission of Tender documents in public interest of their members "which states:

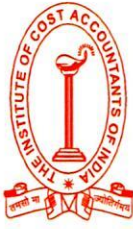
The Board of Discipline constituted under section 21A has referred matter to the Council to clarify and provide the clear directions to the members: The Council has deliberated on the matter in its 358th meeting held on 24th February, 2025 and decided to issue following guidelines which shall come into effect from the date of its notification:

Reporting about the Fully / Semi qualified Cost Accountants / Chartered Accountants on the Role of the Firm while submitting the Tender documents 1. Fully qualified professional Cost Accountant/Chartered Accountant/Company Secretary means the person holding membership of the ICMAI/ICAI/ICSI as the case may be.

2. Semi-qualified Cost Accountant/Chartered Accountant/Company Secretary means a person who is pursuing CMA/CA/CS course and is a registered student at the respective Institute and has cleared Intermediate or equivalent exam of the respective Institute.
3. An Associate in a professional services firm is typically a junior partner or a qualified individual working within the firm, recognized by the relevant professional Institute.

In response to tender inquiry where the information is sought about fullyqualified/semi-qualified professional, whether as employees or associates or assistants or any other similar terminology used in the tender document, the firm shall only consider the persons who are in full time employment of the firm and not the persons employed by





the partner's firm.

Hence from this circular which is prospective in nature from date of issue that there was no clear guidelines regarding who can be shown as associate and by this circular they have defined the meaning of word associate which is reproduced below

2. Council has noted that there are issues in interpretation of the said regulation and hence following clarification is issued which is binding on the members of the institute from the date of this notification/guideline -

Here the prosecution has failed to interpret the word associate and done investigation considering associate as employees or in employment with the firm but the fact is COAL INDIA LTD vide RTI reply has clarified they never mean associate as employees/In employment.

Also ICMAI Director Discipline has not provided any document regarding conversation with qualified assistants and copy of their reply.

Also nowhere respondent has used the word that the cost accountants are their employees or attached any employment letter/appointment letter unlike other bidders who have quoted for the same tender.

Also the prosecution has failed to provide any Relying upon documents (RUD) to prove the fact that Coal India has asked for Cost Accountant Employees in their tender and the basis of conducting investigation by wrongful interpretation of associate as employees.

Also for the same cause and clause, ICMAI has already given Opinion of NOT GUILTY in case No. COM/21-CA(116)/2022 in which Mr R K PATEL is complainant and M/s Diwanji & co is respondent the firm in which complainant Mr Anuj Pathak of current case is partner. Also Director discipline has not done the investigation of taking statements thru mail from list of cost accountants shown by M/s Diwanji & co as done in case No. COM/21-CA(116)/2022.

**Point no 6**

- 6) **The respondent had shown extreme casual approach while writing his report Form CRA-3 dated 28.07.2019 submitted to IREL (India) Ltd which starts with the sentence “We, K G Goyal & Co. Cost Accountants..... ..” [Reference to page 82 of Appendix-1)**

**SUBMISSION:**

The same was wrongly scanned with tender documents and has no weightage so far as tender procedure is concerned.

As already replied this was draft discussion with client and not the final report.

**Pont No. 7**

- 7) **The respondent, by using a false name of the firm M/s R.K. Patel & Co. had put several reputed companies to utter embarrassment which has not only adversely affected the reputation of the respondent but also of the Institute thereby bringing disrepute to the profession.**

**SUBMISSION**

Till date not a single notice has been received from MCA to any of reputed clients and no embarrassment has been faced by any of the clients as name as duly approved by COUNCIL as R K PATEL & CO thru form L at the time of grant of COP and subsequent renewals.

**Point NO., 8**





- 8) The respondent's justification that 'I have received approvals from the MCA for my appointment as Cost Auditor under the name & style "R K Patel & Co." is not tenable as he did not disclose with the MCA the true name of the firm in which it has been registered with the Institute and therefore, does not hold any ground.

**SUBMISSION:**

ICMAI council at relevant time has approved my Certificate of practice with FORM L showing firm name/trade name as R K PATEL & CO and the same data was passed to MCA by ICMAI.

MCA has issued work orders as Cost auditor appointment was done by MCA previously based on data of ICMAI submission.

True name of R K PATEL & CO was disclosed by ICMAI to MCA.

**Prayer:**

1. ICMAI has approved firm name/trade name as R K PATEL & CO and on which firm name COP was granted dated 18.04.1996 as per regulation 108.
2. As per ICMAI circular dated 27.02.2025, I request ICMAI to update their website with firm name RK PATEL & CO against firm Registration No. 100180 and Membership number 14115 so that I can strictly adhere to correct firm name as approved by council on 18.04.1996 and also strictly adhere to circular dated 27.02.2025 under clause "As per the Regulation 108 of the CWA Regulations, 1959 a Firm of Practicing Cost Accountant has to use the name as approved by the Council. This principle is expected to be followed in letter and spirit. It is hereby clarified that the members have to strictly follow this discipline henceforth."
3. So far as issue of associated cost accountants is concerned, the whole prosecution/Investigation is based on fraudulent interpretation of associate as employee or in employment which is clarified by Coal India Ltd that they never meant associate as employee or in employment and nowhere in the whole tender documents R K PATEL & CO has shown them as employees which is also confirmed by complainant in cross examination.
4. Also the complainant on relevant last date of tender submission was not even a cost accountant and has failed to prove his locus in the said case nor he has submitted any resolution approved by partners of the firm Diwanji & Co of whose Digital signature he has used & authorization letter file complaint on behalf of the firm.
5. Also it was informed to us that Video copy of whole cross examination will be provided to respondent and ICMAI disciplinary members has agreed to provide the same which was forwarded thru google drive link to us which is not getting opened as our registered mail is on Hotmail portal and not Gmail portal. On repeated request to Current Director Discipline he informed that he cannot share the same to other Gmail id and also denied to provide Video thru pen drive or CD. We request Director Discipline to provide us a copy of cross examination video in pen drive for which we are ready to bear the cost and which can be helpful to us to file defamation case against the complainant.

**Unquote**

- o) Proceeding under rule 18(16) of The Rule, 2007:-**

**Proceeding of 96<sup>th</sup> Meeting of Disciplinary committee held on 16<sup>th</sup> July, 2025**

- (i) It is noted that documents received from the Complainant/Witness were duly served upon the Respondent through communication dated 20<sup>th</sup> June 2025. Further, Notices





of the even date were issued to both parties directing them to file their respective concluding submissions under Rule 18(16) of the Cost and Works Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007 within seven (07) days of receipt of the said Notices.

(ii) In response to the above-mentioned Notice, the Complainant, vide email dated 28<sup>th</sup> June 2025, requested the Hon'ble Committee to decide the matter based on the material already available on record.

(iii) It was also brought to the Committee's attention that the Respondent, through an email dated 30<sup>th</sup> June 2025, submitted his written concluding arguments dated 24<sup>th</sup> June 2025, comprising 115 pages. For reference, an extract from the said email is reproduced below:

Quote

Dear sir

Our detailed reply is attached.

Also please note that :

Video recording has not been given access despite requests. We are not in a position to verify the typed cross examination with the actual answers as it transpired. Furthermore, cross examination was not concluded. It was only deferred for production of documents by the witness. Witness was supposed to be subject to further cross examination.

From perusal of the email, I understand that the complainant does not want to cross examine the respondent. Thus, the deposition of the respondent stands admitted.

I am hereby attaching herewith the written arguments in terms of your email, which otherwise is not the stage of the case. However, the matter cannot be closed before a hearing/ arguments in terms of the Rule 18(16) of the Rules.

Unquote

(iv) The committee has taken on record of written submission of both the parties.

(v) With respect to the Respondent's contention regarding lack of access to the video recording, the Committee found the said plea to be misconceived and untenable. It was recorded that access to the video recording was duly provided to both the Respondent and the Complainant through email dated 6<sup>th</sup> May 2025 addressed to their respective registered email IDs. The Respondent, however, repeatedly sought access through alternate email addresses, other than his registered ID, which was correctly denied in view of established procedural norms. Furthermore, it was noted that during the cross-examination proceedings it had been expressly recorded that the Assistant of the Respondent's Advocate would take contemporaneous notes of all

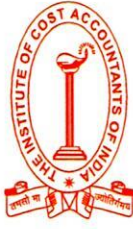




questions and answers. Notwithstanding the above, liberty was granted to the Respondent to view the said video extract at the office of the Director (Discipline) on any working day, with prior intimation. However, no such request was ever received from the Respondent.

- (vi) During the hearing, the Ld Advocate for the Respondent placed on record a copy of a three-page grievance email of Shri Mehul Parmar. Upon being queried by the Hon'ble Committee regarding the relevance of the said grievance, the Ld Advocate submitted that the grievance referred to four other cases which, according to him, were "identical" to the present matter.
- (vii) The Committee then enquired from the Ld Advocate whether any formal application for tagging of matters had been filed in this regard. Ld Advocate was unable to produce any such application. Instead, he alleged that he had orally requested the Disciplinary committee earlier for such tagging. The Hon'ble Committee expressed grave anguish at such conduct and observed that the Advocate was attempting to advance submissions without any formal application on record, while also casting unwarranted aspersions on the Government Nominee. The Committee observed with dismay that Ld Advocate appeared to lack even the basic understanding of legal procedure, in as much as applications for tagging of cases which are pending with different authorities are required to be formally filed before the committee.
- (viii) The Committee also recorded that the Ld Advocate for the Respondent explicitly reiterated the written submissions dated 24<sup>th</sup> June 2025, as filed vide email dated 30<sup>th</sup> June 2025.
- (ix) The Respondent further alleged that he had not received copies of replies filed by CMAs during the investigation conducted by the Director (Discipline), despite making multiple requests. When requested by the committee to produce any written correspondence evidencing such a request, the Ld Advocate failed to do so. Upon being asked to specify the date of hearing during which such an oral request was allegedly made, Ld Advocate again failed to provide any details. The Committee accordingly cautioned the Ld Advocate against making false and unsubstantiated submissions. Committee clarified that the documents in question were part of the





Preliminary Fact Outline (PFO), and therefore, the Advocate's contention was without merit.

- (x) The Complainant sought permission to respond to the Respondent's submissions. Ld Advocate for the Respondent objected, contending that the Complainant had already requested disposal of the case on the existing record. However, in the interest of natural justice, the Presiding Officer permitted the Complainant to file his concluding arguments
- (xi) The Complainant submitted that the Respondent's Advocate had questioned his personal and professional integrity, as well as that of his firm, by alleging undue influence of certain Council Members, without adducing any evidence. The Complainant further questioned the circumstances under which the Respondent's name on the Institute's portal had been altered only after issuance of the clarification by ICMAI dated 27<sup>th</sup> February 2025, and requested the Committee to expedite disposal of the matter to ensure justice. In response, the Ld Advocate for the Respondent submitted that the name change was effected by the Institute, not by the Respondent.
- (xii) The Committee has taken on record the submissions and arguments of both parties as detailed above.

**21. Findings of Disciplinary Committee under rule 18(17):-**

- a) The present complaint has been filed by CMA Anuj Rameshchandra Pathak against CMA Rajubhai Kantilal Patel, alleging multiple instances of professional misconduct.
- b) For the purposes of adjudication, the Committee has crystalized the charges into the following principal allegations:
- Allegation No. 1:- Misrepresentation of firm name:** That the respondent continuously misrepresented his proprietary firm name by using the style "R K Patel & Co." in tender documents submitted to Coal India Limited (CIL), though the Institute's records confirm that his registered proprietary concern is "R K Patel" (FRN 100180).
  - Allegation No. 2:-** That the respondent is that he was fully aware about the fact that his trade name is not M/s R K Patel & Co., Hence, while filling up various forms with MCA (e.g. From 23C & From CRA-2 – Appointment of cost auditor),





he has used his firm name as 'R K Patel' FRN 100180. (reference to page #55, 57, 58, 63, 66, 70, 103, 106, 110, 111, 115, 122, 127, 131, 134, 137, 165, 167 & 169 of Appendix- 1) which has been registered with the Institute.

iii. **Allegation No. 3:-** That, the respondent has stated in his response to CIL under – Format for Application (Page 23 of Appendix- 1) that his firm has 10 (ten) number of fully qualified assistants (Cost/Chartered Accountant) whereas he has listed name and membership of 11 (eleven) number of Cost Accountants/ Chartered Accountant. By including in the said list individuals who were neither employed with nor associated with his firm, the Respondent misrepresented the facts and thereby misled the tendering authority

iv. **Allegation No. 4:- Other minor Allegations**

- Submission of Form CRA-3 dated 28.07.2019 to IREL (India) Ltd. which began with “We, K.G. Goyal & Co. Cost Accountants...” while being issued on the letterhead of “R K Patel & Co.” and signed by the respondent as “partner.”
- In the said Form CRA-3, the respondent had put his seal as ‘R K Patel, ME, FICWA, Cost Accountants M-14115’.
- Usage of the acronym “FICWA” instead of “FCMA,” contrary to statutory amendments notified by the Government of India in January 2012, mandating the use of “ACMA/FCMA” as suffixes.

c) Allegation of 1, 2 and 4 are identical in nature, thus Findings on Allegation Nos. 1, 2 and 4 have been considered together;

- (i) The approved and registered name of the respondent’s proprietary firm is “R K Patel”. The use of “R K Patel & Co.” is unauthorized and amounts to deliberate misrepresentation.
- (ii) The Membership Department’s vide communication dated 17<sup>th</sup> May 2023 confirmed that no firm under the name “R K Patel & Co.” is registered with the Institute. Hence, the respondent’s usage of this name in professional dealings constitutes misrepresentation and is in contravention of Regulation 108 of the Cost and Works Accountants Regulations, 1959.
- (iii) Copies of Form M-3 filed by the respondent before membership directorate for renewal of Certificate of Practice for FY 2018-19 to 2020-21 reveal that he





declared the firm name as “R K Patel & Co.” This amounts to furnishing false information to the Institute. The Membership Department, vide mail dated 29<sup>th</sup> April 2020, specifically directed the respondent to use only the name approved by the Council, i.e., “R K Patel” Although the respondent rectified the mistake vide his mail dated 30<sup>th</sup> April 2020, such rectification after detection does not absolve him of responsibility. His subsequent explanation that the usage was based on an earlier form or Council approval is untenable and unsupported by contemporaneous evidence.

- (iv) It is further noted that in filings of Form 23C with MCA, in some instances the respondent’s name appears as “R K Patel” and in others as “R K Patel & Co.”. Though such forms were filed by the companies for which the respondent acted as cost auditor, it was incumbent upon the respondent, as the professional engaged, to ensure the accuracy of disclosures. His failure to correct the record amounts to acquiescence and tacit approval of misrepresentation.
- (v) The respondent’s claim that the usage of unapproved firm name (R K Patel & Co) was inadvertent or historically approved is devoid of merit. The simultaneous use of both “R K Patel” and “R K Patel & Co.” in different statutory filings demonstrates his conscious knowledge of the correct name, thereby negating any claim of inadvertence.
- (vi) Such conduct strikes at the core of professional identity and erodes public trust in the authenticity of disclosures made by cost accountants. The repeated wrong representation by the respondent reflects gross negligence, lack of due diligence, malafide intent, and breach of trust and clear disregard for the dignity and reputation of the profession.
- (vii) The defense that the Institute and other authorities had not objected to such usage earlier is untenable. A continuing illegality does not attain legitimacy merely because no objection was raised earlier.
- (viii) Clause 108 of the CMA Regulations, 1959 states that that Prior approval of the Council is required to use own name or trade name or firm name. Clause 108(8)(a) of said Regulation expressly prohibits to use any name not expressly approved by the Council. The respondent, being a senior professional, was fully aware of this legal position.





- (ix) The ancillary irregularities (Allegation No. 4), though seemingly minor, establish the respondent's deliberate intent to mislead stakeholders. The continued use of "FICWA" post-2012 despite statutory amendments, further demonstrate lack of professional diligence. The respondent, being a senior professional, cannot plead ignorance.
- (x) The simultaneous use of the correct name "R K Patel" in certain statutory filings and of the incorrect style "R K Patel & Co." in tender submissions demonstrates that the respondent was fully aware of his approved firm name. Further, the irregularities highlighted under Allegation No. 4 indicate deliberate intent to mislead stakeholders and further strengthen the finding of culpability. Taken together, these facts demonstrate mens rea on the part of the respondent and negate any plea of inadvertence.
- (xi) The Committee observes that the addition of the suffix "& Co." without the approval of Council's is not a trivial deviation as the use of "& Co." conveys to the public an impression of a larger or more established firm, thereby misleading stakeholders regarding the status of the practice. Such a deviation, particularly when accompanied by *mens rea*, cannot be ignored or condoned.
- (xii) In view of above facts and circumstances, the Committee holds that the respondent's conduct constitutes professional misconduct, rendering him guilty of contravention of
- clause (3) of Part III of the First Schedule,
  - clause (2) of Part IV of the First Schedule, **and**
  - clauses (1) and (3) of Part II of the Second Schedule to the Cost and Works Accountants Act, 1959

**d) Finding on Allegation number 3**

- (i) The respondent in his tender application to CIL at one place mentions that his firm is having 10 no of qualified assistants (Cost/Chartered Accountant) whereas he has provided a list of 11 members. Further, the response to question about Investigation reveals that many of the named individuals were not associated with the respondent's firm in any professional capacity.
- (ii) During the course of investigation, the concerned professionals submitted their respective positions. A consolidated summary is reproduced below:





S.no	Relationship with Respondent firm	Name of Cost Accountant
a)	“Case to Case” basis Association only	1. CMA Md. Shamim Ansari 2) CMA Anuj Kumar 3) CMA Neeraj Maheswari 4) CMA Kalyan Killechetti 5) CMA Vishal Shah 6) CMA Bhavin R Patel
b)	No association at all (independent CA in practice)	1) Shri Murlidgar Jegatiya
c)	Categorical denial of any association	1) CMA Manoj Patil 2) CMA Neeraj Maheshwari
d)	Express denial of consent	1) CMA Malay Hapani

- (iii) The Committee notes that the “Guidelines for Members on Use of Firm Name and Submission of Tender Documents” issued on 27<sup>th</sup> February 2025, approved by the 358<sup>th</sup> Council Meeting by Secretary, ICMAI define while submitting the tender documents; the firm shall consider the full time employment of firm as Associates. However, as these Guidelines came into force only on 27<sup>th</sup> February 2025, subsequent to the period of dispute, and therefore have no bearing on the present adjudication.
- (iv) The issue before the Committee is two-fold: (a) whether the expression “*associates*” in the CIL Notice Inviting Tender (NIT) could legitimately be interpreted to include professionals associated on a case-to-case basis; and (b) whether the inclusion of a person’s name in tender documents without their consent constitute professional misconduct.
- (v) The committee observes that tender conditions issued by CIL did not define “*associates*”, and at the relevant time there were no guidelines of the Institute clarifying whether partners in another firm or case-to-case consultants could be shown as “*associates*”. In the absence of such clarity, some benefit of doubt may





be extended to the respondent with respect to those persons who admitted occasional association.

- (vi) However, the inclusion of names of persons who were neither employees, nor partners, nor had given consent particularly CMA Manoj Patil, CMA Neeraj Maheshwari, CA Murlidgar Jegatiya, and CMA Malay Hapani cannot be condoned. Using the names of professionals without their consent for soliciting work is a grave breach of professional ethics and amounts to deliberate misrepresentation.
- (vii) The Committee accordingly holds that the respondent is guilty of professional misconduct under
- clause (3) of Part III of the First Schedule,
  - clause (2) of Part IV of the First Schedule, and
  - clause (1) of Part II of the Second Schedule of the CMA Act, 1959.
- (viii) The above findings are without prejudice to the rights and remedies of the professionals whose names were used in the tender documents without consent, namely CMA Manoj Patil, CMA Neeraj Maheshwari, CA Murlidgar Jegatiya, and CMA Malay Hapani, to initiate such proceedings against the respondent as may be available to them under the relevant provisions of law for the time being in force.

CMA T.C.A. Srinivasa Prasad  
PRESIDING OFFICER

Shri Saraswati Prasad, IAS (Retd.)  
GOVERNMENT NOMINEE

Mrs. Meenakshi Sharma IA & AS (Retd.)  
GOVERNMENT NOMINEE

CMA Manoj Kumar Anand  
MEMBER

Place: New Delhi

Date 13.10.2025

