



**The Institute of Cost Accountants of India**

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

**Final order number: ICMAI/BOD/2026/26**

Complaint number	Com-21/CA(148)/2024
In the matter of	CMA Chandra Prakash Kalra [Complainant] Vs. M/S MM & Associates (FRN000454) [Respondent]
Date of Hearing	As per records and order sheet
Date of order	31 <sup>st</sup> March, 2026

**CORAM:**

1	Shri P.K. Pujari, IAS (Retd)	Presiding Officer
2	CMA (Dr.) Ashish Thatte	Member

**PRESENT**

1	CMA(Dr) Hemant Kumar Sindhvani	Director (Discipline)
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**Brief facts of the Case**

1. The Disciplinary Directorate was in receipt of a complaint in Form I in triplicate dated 14<sup>th</sup> November 2024 (served on 14<sup>th</sup> November 2024) together with the prescribed complaint fee from CMA Chandra Prakash Kalra (hereinafter referred to as the "Complainant"), bearing membership number 7979 containing allegation against M/S MM & Associates (hereinafter referred to as the "respondent") bearing FRN000454 (hereinafter referred to as "the respondent") containing certain allegations against the respondent falling under various provisions of the Cost Accountants Act, 1959.



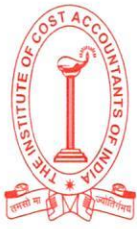


2. The complaint consists of sixteen 16 pages, accompanied by annexure. The Form I is reproduced below in verbatim:

FORM I

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

1.	Name of the complainant : (with membership number, if member of institute of Cost and Works Accountants of India)	Chandra Prakash Kalra M7979 Partner Chakraborty Kapoor & Co. Llp
2.	Name of the member/firm against whom complaint is being made: (with membership number/registration number of the firm, if known)	MM & Associates
3.	Latest Address of complainant for communication	Chakraborty Kapoor & Co. Llp F-1210 C R Park, New Delhi-110019 M-9810291304
4.	Latest available address of member against whom complaint is made.	Reg. No. : '000454 MM & Associates 10 D, Pocket 1, Sector 7, Dwarka, NEW DELHI –110075 Tele No. : 9873319834, 9711697891, 9899157701, (M) : 9873319834, Email : msquare.cma@gmail.com
5.	Particulars of Allegation (s) serially numbered together with corresponding clause/part of relevant schedule(s), or  Particulars of Allegation(s) serially numbered together with corresponding clause/part of relevant schedule(s) under which the alleged acts of commission of omission or both would fall.	1.All The Members/Firms As Mentioned in Para 2 Above Have Quoted Less Than Minimum Bid Price Of BSNL Ref No Gem/2023/B/3855545 Dt 22.08.2023 Financial Evaluation Document Of Gems is Attached As Proof Of The ABOVE Allegation. 2.The Minimum Bid Prices ( Floor Price) Was Mentioned in The Bid As Rs. 14,12,000 With Clear Mention Of The Fact That This Bid Has Been Created/Published With Floor Price (Minimum Value) Selected By The Buyer. Service Providers Are Advised To Quote Above The Minimum Floor Value. Copy Of Bid Documentis Enclosed For Ready Reference. 3.This is Not Only in Contravention Of The Bid Conditions But Against Institute's Notification No Ref: G/128/10/2022 Dt 25th



# 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:**

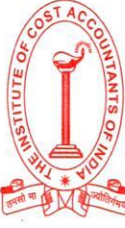
CMA Bhawan, 3 Institutional Area,  
Lodhi Road, New Delhi-110003

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

**Website :** www.icmai.in

		<p>October, 2022 Which Prohibits Members/Firms To Minimum Its Practicing Members /Firms To Quote Below Minimum Price As Prescribed in Tender Document. This Guidelines Was Issued As Per Decision Taken By Central Council in Its 337<sup>th</sup> Meeting Held On 11<sup>th</sup> September, 2022. Copy is Enclosed For Ready Reference.</p> <p>4.As Per Para [1 (B)] Of The Aforesaid Notification in Case Of The Non-Compliance Of These Guidelines A Member in Practice Shall Be Liable To Disciplinary Proceedings Under Section 21 &amp; 22 For Violation Of Clause (1) Of Part II Of The Second Schedule Of The Cost And Works Accountants Act, 1959. However, Immunity is Granted To The Member in Practice From Disciplinary Proceedings For Non-Compliance Of These Guidelines Prior To The Date Of This Of Notification. Since BID Was Dated Post Issue Notification Hence Immunity is Not Available To These Members</p> <p>5.We Have Suffered Because Of Inappropriate As Buyer Behavior Of The Above Member Firms Cancelled The Tender Perhaps Due To Receipt Of Bid Prices Much Lower Than The Floor Price. The Tender Which We Could Have Got Was Denied To Us. We Got This Information By Filing RTI Ref No 00058 Dt 18.03.2024</p> <p>6.The Above Firms Not only Violated The Institute's Guidelines But Also Damaged The Profession's Image As BSNL Awarded The Contract To M/S Chander Wadhwa &amp; Co. on nomination basis asper RTI reply dt 30.05.2024</p>
6.	Particulars of Evidences abducted in support of the allegations made.	<ol style="list-style-type: none"><li>1. Gem/2023/B/3855545 Dt 22.08.2023</li><li>2. Financial Evaluation Document Of Gems Portal For The Bid in Question.</li><li>3. Notification No G/128/10/2022 Dt 25<sup>th</sup> October, 2022 Prohibiting CMA's Not To Quote Below Minimum Tender Amount Prescribed in The Tender For The</li></ol>





		Assignment. 4. RTI Ref No 00058 Dt 18.03.2024 5. RTI reply dt 30.05.2024
7.	Names of persons who have knowledge of the facts of the case.	1. Chandra Prakash Kalra M-9810291304
8.	Particulars of DD for Rs.2950 in favour of Institute of Cost Accountants of India payable at New Delhi	DD NO-942768 DATED-14/11/2024 OF PUNJAB NATIONAL BANK , ALAKNANGA

- The above complaint was scrutinized and was registered in terms of Rule 5 of the Cost and Works Accountants (Procedure of Investigation of Professional and Other Misconduct and Conduct of Cases) Rules, 2007 and the same was proceeded with in the manner as prescribed in Chapter III of the Rules and was registered by the Disciplinary Directorate by giving a unique number, Complaint No. Com/21-CA(148)/2024.
- The complaint dated 14<sup>th</sup> November, 2024 was duly forwarded to the respondent vide letter No. G/DD/Com-CA(148)/(FRN000456)/01/12/2024 dated 04<sup>th</sup> December, 2024, calling upon the Respondent to submit a written statement in terms of Rule 8(3) of The Rules, 2007 within 21 days from the date of service of the letter under reference.
- The respondent, vide letter dated 26<sup>th</sup> December, 2024 submitted his written defence statement containing of three pages denying the allegations, which is reproduced below in verbatim:

**Quote**

To  
The Director Discipline,  
Disciplinary Directorate,  
The Institute of Cost Accountants of India  
12, Sudder Street, Kolkata -700016

Sub: Response to Complaint No. Com/21-CA (148)/2024 - CMA Chandra Prakash Kalra (M-7979)[Complainant] Vs MM & Associates, Cost Accountants (FRN 000454) [Respondents]  
Respected Sir,

With Ref:G/DD/ Com-CA (148)/(FRN000454)/01/1 2/2024 dt. 4th December 2024 and received on 5<sup>th</sup> December 2024, I Manish Kandpal (M- 33796), a partner of MM & Associates, Cost Accountants (FRN: 000454) authorized to respond to the said complaint on behalf of the firm.

We categorically deny all allegations levied against our firm, as they are entirely baseless and malicious in nature. These accusations appear to have been raised without a thorough review of the tender document and do not align with the principles and ethical standards we uphold. It





seems that the complainant has misinterpreted and misunderstood the contents of the bid document.

The following are the key elements that must be reviewed and considered before a complaint is accepted by the Disciplinary Directorate. Any complaint that is found to be unreasonable or not based on factual evidence should be dismissed at the outset in order to preserve the time and resources of the Institute. The elements are as below.

1. The tender in question (Gem/2023/B/3855545) was subsequently cancelled by the organization (BSNL), and as a result, the assignment was not awarded to us. This fact has been duly confirmed by BSNL in their response to an RTI filed by the complainant. A copy of this response is also part of the Complaint document.
2. The amount of Rs. 14,12,000 mentioned in the bid was estimated bid value not the minimum bid price for the assignment of Cost Audit.
3. The Minimum Price for the bid was Rs. 6,00,000 for three years (Rs. 2,00,000/year).
4. We, M/s. MM & Associates, Cost Accountants as a participant in the bid quoted Rs. 9,24,000 for three years. The same can be seen on the complaint document.

We have also received confirmation from BSNL regarding the minimum fee for the assignment/bid, which was set at Rs. 6,00,000 (For three years). The confirmation email from BSNL is attached herewith as evidence to support this statement. This further substantiates that there has been no contravention of any clause in the bid document, or the notification issued by the Institute.

We are committed to addressing legitimate concerns and resolving any issues in a fair and Transparent manner.

Thank you for bringing this matter to our attention, and We always assure you our best support in proceedings of the matter. Please do feel free for any further information and / or clarification  
Prayer:

In the absence of factual information and due to the erroneous interpretation and understanding of the bid document, we respectfully submit the following prayer before the Disciplinary Directorate of the Institute.

1. Kindly quash the allegations and further proceedings of the matter at the earliest.
2. Take necessary action against such people who persist in making baseless allegations, wasting the time and resources of the Institute.

Your Sincerely,  
Name: Manish Kandpal  
Mem. No:33796  
Firm Name: M/s. MM & Associates,  
Cost Accountants  
Contact No: 9873319834





**ICMAI**  
**THE INSTITUTE OF**  
**COST ACCOUNTANTS OF INDIA**  
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**Website** : www.icmai.in



CMA Manish Kandpal <cmamanish.mm@gmail.com>

**Cost Audit Tender-Bid No: GEM/2023/B/3855545**

VIKAS KUMAR <vikaskumar@bsnl.co.in> Thu, Dec 5, 2024 at 4:55 PM  
To: manish@mmcma.com  
Cc: AKHILESHKUMAR CHOUDHARY <akhileshkumar@bsnl.co.in>, JAGDEEP SINGH <jagdeep.singh@bsnl.co.in>

Dear Sir,

The GeM Tender Bid No: GEM/2023/B/3855545 was cancelled. However, the minimum price for the bid was Rs. 6 lakh (for three years), while the estimated cost was Rs. 14.16 lakh (for three years).  
Regards

Vikas Kumar  
DM.CA

From: manish@mmcma.com  
To: costingsection123@gmail.com, "VIKAS KUMAR" <vikaskumar@bsnl.co.in>  
Sent: Thursday, December 5, 2024 4:03:19 PM  
Subject: Cost Audit Tender-Bid No: GEM/2023/B/3855545  
[Quoted text hidden]

**Unquote**

- The written defence statement dated 26<sup>th</sup> December, 2024 was forwarded to the complainant under the cover of letter No. G/DD/Com-CA(148)/2/01/2025 dated 6<sup>th</sup> January, 2025 calling upon the complainant to submit a rejoinder in terms of sub-rule (4) of Rule 8 of The Rules, 2007.
- The Complainant, vide letter dated 15<sup>th</sup> January, 2025 submitted his Rejoinder containing two pages reiterating that there was a condition as to minimum floor price, which is unambiguous. Respondents have simply ignored and not sought any clarification if they observed ambiguity and subsequent clarification by BSNL has no relevance since the same has been obtained after compliant. The rejoinder submitted by complainant is reproduced below in verbatim:

**Quote**

To  
CMA R.K. Jain  
Director (Discipline)  
The Institute of Cost Accountant of India  
CMA Bhawan, 3, Institutional Area Lodhi Road,  
New Delhi-110003.  
Sub: Rejoinder to reply dated 26.12.2024 of respondent MM & Associates  
Dear Sir,

15.01.2025





We submit our reply as under:

1. The BID was cancelled by BSNL and was not awarded to Respondent is not relevant in the matter. We are seeking only compliance of Institute's Guidelines for not quoting less than minimum bid price.
2. Bid was probably cancelled by BSNL since they have got so many low bids of less than 1/2 of the Minimum Floor Price while as per Bid conditions they had to award to us being only eligible quotation above minimum floor wise. That is why they cancelled the Bid to save cost to them.
3. Bid document says estimated bid value Rs. 1416000 not Rs. 1412000 which is a typographical error in our complaint. This is to be read as Rs 1416000 as mentioned in the BID.
4. There was a declaration by the buyer that Bid is subjected to minimum floor price, though floor price was not clearly mentioned but estimated bid amount was mentioned at Rs.1416000, which the respondent has ignored as Respondent has quoted less than minimum amount of 1416000 as mentioned in the BID. They have not sought clarification at the time of submitting Bid.

Current BSNL Letter is misleading and has no relevance since it has been obtained after our complaint of not following Institute's guidelines by respondent as to not quoting below minimum floor price. BSNL Letter dated 05.12.2024 is to be ignored at this stage.

5. In view of above, the assumption of bidder will be to assume minimum floor price to be Rs, 1416000 in absence of any clarification sought. Respondent quoted less than Rs. 1416000 on what basis in absence of clear communication.
6. The respondent should have enquired about minimum floor price at the time of bid submission then buyer would have issued corrigendum to bid for the benefit of all. Enquiring at this state has no meaning and should be ignored for disposing of our complaint.
7. Buyer is expecting bids above 1416000 is above minimum amount that is why Bids are ranked as H1, H2, H3 wrt Bid value of Rs. 1416000 instead of L1, L2, L3...
8. Our complaint is not baseless given the conditions contained in the BID. There was a condition as to minimum floor price, which is unambiguous. Respondents have simply ignored and not sought any clarification if they observed ambiguity. We pray that complaint be decided on merit based on bid conditions and evidence submitted by us.

It is submitted that complaint be decided on merit based on documents on record

Regards

Yours Truly,

For Chakraborty Kapoor & Co  
CMA Chandra Prakash Kalra  
Designated Partner

**Unquote**

**8. Comments and findings of the Disciplinary Directorate**

- a) The complaint is primarily founded on the allegation that the Respondent contravened Notification No. G/128/10/2022(2) dated 25<sup>th</sup> October, 2022, titled "Guidelines for



Compliance by Members", issued by the Secretary, ICMAI, by allegedly quoting a bid amount lower than the prescribed minimum bid price (floor price) in respect of the BSNL tender bearing Reference No. GEM/2023/B/3855545 dated 22.08.2023. It has further been alleged that the Respondent firm not only violated the aforesaid guidelines but also acted in a manner detrimental to the professional image and dignity of the profession.

- b) In its written statement of defence, the Respondent has categorically denied any violation of the Institute's Guidelines and contended that the tender documents did not prescribe any minimum bid price. The Respondent, inter alia, submitted as under:
- The tender was cancelled by BSNL and no assignment was awarded.
  - ₹14,16,000/- was only the estimated bid value and not the minimum bid price.
  - The actual minimum bid price was ₹6,00,000/- for three years.
  - The Respondent quoted ₹9,24,000/- for three years, which was above the minimum prescribed amount.
- c) In rejoinder, the Complainant contended that cancellation of the tender is irrelevant and that ₹14,16,000/- should be treated as the minimum floor price. It was further alleged that the clarification obtained from BSNL subsequent to the complaint should not be relied upon
- d) The Disciplinary Directorate examined the bid documents issued by BSNL bearing Ref. No. GEM/2023/B/3855545 dated 22<sup>nd</sup> August, 2023 under the item Category "Hiring of Consultants-Milestone/Deliverable Based-Subject Matter Experts; Finance & Accounts; No; Onsite."
- e) On perusal of the bid documents, it is observed that an Estimated Bid Value of ₹14,16,000/- has been mentioned therein. The bid documents expressly clarify that the said estimated bid value has been declared solely for the purpose of guidance on Earnest Money Deposit (EMD) and for determining eligibility criteria, including turnover, past performance, and project/past experience, and that the same has no relevance or bearing on the price to be quoted by bidders, nor is it to be used as a criterion for determining the reasonableness of quoted prices. The relevant extract of the bid document is reproduced hereunder:





**Quote**

- 2 *Estimate Bid Value indicated above is being declared solely for the purpose of guidance on EMD amount and for determining the Eligibility Criteria related to Turnover. Past Performance and Project/Past Experience etc. This has no relevance or bearing on the price to be quoted by the bidders and is also not going to have any impact on bid participation. Also this is not going to be used as a criteria in determining reasonableness of quoted price which would be determined by the buyer based on its own assessment of reasonableness and based on competitive prices received in Bid/RA process.*

**Unquote**

- f) Upon examination of the bid documents and the contentions raised, it is noted that the tender documents categorically and unequivocally distinguish the estimated bid value from the price to be quoted by bidders. The estimated bid value is expressly stated to have no nexus with the reasonableness of the quoted price.
- g) The bid documents, without stating and disclosing any floor price, further clarify that the bid was created with a floor price selected by the buyer and that bids were required to be above such minimum floor value. The relevant extract of the bid document is reproduced hereunder:

**Quote**

Floor Price	This bid has been created/published with floor price(minimum value) selected by the Buyer. Service providers are advised to quote above the minimum floor price
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**Unquote**

- h) The above implies that if bidders submit bids below such un-disclosed but selected floor price by the buyer, such bids would not be considered under any circumstances. In the instant case, since the bid has not been considered un-responsive on this count by the buyer, it can be inferred that the bid value was higher than the floor price selected by the buyer.
- i) Since the bid was published and processed through the Government e-Marketplace (GeM) portal, it is reasonable to presume that the portal operates with in-built process of validations that prevent the submission of bids below the floor price selected by the buyer, in accordance with the tender conditions. The acceptance of the bids on the GeM portal prima facie establishes that the bids submitted could not have been below the



selected floor price by the buyer.

- j) In case the GeM portal did not incorporate any such process of validations in the absence of any disclosed floor price in the tender documents, the tender document itself would appear to be deficient or ambiguous, and for any such deficiency and ambiguity, the bidder cannot be held liable.
- k) In view of the above, it appears that there is no contravention of Notification No. G/128/10/2022(2) dated 25<sup>th</sup> October, 2022, titled "Guidelines for Compliance by Members", issued by the Secretary, ICMAI

**9. Findings and Order of Board of Discipline**

- a) The following issues arise for determination:
- (i) Whether the estimated bid value of ₹14,16,000 can be considered to constitute the minimum floor price for the tender;
- (ii) Whether the Respondent quoted below the minimum floor price prescribed in the tender document; and
- (iii) Whether the Respondent violated Notification No. G/128/10/2022(2) dated 25<sup>th</sup> October, 2022 and thereby committed professional misconduct.
- b) Upon careful examination of the complaint, the written statement of defence, the rejoinder, the findings of the Director (Discipline), and the material available on record, the Board records its findings as under:


Sr. No.	Issue	Board Findings
(i)	Whether the estimated bid value of ₹14,16,000 can be considered to constitute the minimum floor price for the tender	The tender documents expressly clarify that the estimated bid value was declared solely for EMD and eligibility purposes and had no nexus with the reasonableness of the quoted price. Accordingly, the estimated bid value cannot be considered to constitute the minimum floor price.
(ii)	Whether the Respondent quoted below the minimum	As the bid documents clarified that the bid was created with a floor price selected by the buyer and that bids were required to be above such





	floor price prescribed in the tender document	minimum floor value, the acceptance of the bids on the GeM portal prima facie establishes that the bids submitted could not have been below the selected floor price by the buyer.
(iii)	Whether the Respondent violated Notification No. G/128/10/2022(2) dated 25 <sup>th</sup> October, 2022 and thereby committed professional misconduct	For any ambiguity or deficiency in the bid documents due to non-disclosure of the floor price or any deficiency in the validation process during bidding, the bidder cannot be held liable. In view of the above findings, no violation of Notification No. G/128/10/2022 is established.

- c) The Board is of the considered view that the allegations made by the Complainant are devoid of merit.
- d) The compliant appears speculative and lacks corroborative proof. Accordingly, in exercise of power under Rule 9(3) (a) of the Cost and Works Accountants (Procedure of Investigations of Professional and other Misconduct and Conduct of Cases) Rules, 2007, the board orders closure of the matter. The Complainant and the Respondent be informed accordingly.
- e) The matter stands disposed of accordingly.

  
**CMA (Dr.) Ashish Thatte**  
(Member)



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

Place: New Delhi

Date: 31<sup>st</sup> March, 2026

**Distribution under Rule 15(3) of the Rule**

- 1) Director(Discipline), Institute of Cost Accountant of India
- 2) Complainant, CMA Chandra Prakash Kalra
- 3) Respondent, M/S MM & Associates (FRN000454)